



# ***Daily Report***

---

## **China**

FBIS-CHI-89-203  
Monday  
23 October 1989

# Daily Report

## China

FBIS-CHI-89-203

### CONTENTS

23 October 1989

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

Reportage on 44th UN General Assembly Activities .....	1
Commentary Views Debates [RENMIN RIBAO 14 Oct] .....	1
Disarmament Position Stated [XINHUA] .....	2
Reportage on Delegation's UNESCO Activities .....	2
Leader Meets Director General [Beijing International] .....	2
Teng Elected to Post [XINHUA] .....	3
Development Strategy Stated [XINHUA] .....	3
UN Fund for Population Control Conference Ends [XINHUA] .....	3
Further on Administrative System Reform Meeting [RENMIN RIBAO 17 Oct] .....	4
Environmental Protection Cooperation Extended [XINHUA] .....	4

##### United States & Canada

New Ambassador Confident on U.S. Relations [XINHUA] .....	4
---	---

##### Soviet Union

Li Peng Meets Group; Stresses Supervision Work [XINHUA] .....	5
Chief Procurator Meets, Fetes Delegation [XINHUA] .....	5
Delegation Leaves Jiayin County for Home [Harbin Radio] .....	5

##### Northeast Asia

Japan Calls For Cultural Exchange Promotion [XINHUA] .....	5
Scholars Criticize Japanese Textbook Revision [XINHUA] .....	6
Japanese Experts Arrive To Teach Language [XINHUA] .....	6
DPRK Environmental Delegation Visits Jilin [Changchun Radio] .....	6
Friendship Anniversary Marked in Ulaanbaatar [Beijing Radio] .....	6

##### Southeast Asia & Pacific

Thai Official Promises To Continue Good Relations [ZHONGGUO TONGXUN SHE] .....	7
Thai Deputy Prime Minister Visits .....	7
Meets Jiang Zemin [XINHUA] .....	7
Li Peng Discusses Sanctions [Beijing Radio] .....	7
Thai Deputy Foreign Minister To Visit [XINHUA] .....	7
Burmese Army Commander-In-Chief Pays Visit .....	8
Meets Qin Jiwei [ZHONGGUO XINWEN *YIE] .....	8
Meets Li Peng .....	8
Textile Enterprise Planned in Australia [XINHUA] .....	9

##### Near East & South Asia

Kuwait Agrees To Grant Preferential Loan [XINHUA] .....	9
XINHUA Interviews Saudi Trade Representative .....	9
Bhutanese Foreign Minister To Visit 29 October [XINHUA] .....	9
NPC's Lei Jieqiong Meets Iraqi Delegation [XINHUA] .....	9
1000 Tons of Edible Salt Granted to Nepal [XINHUA] .....	10

### Sub-Saharan Africa

Jiang Zemin Meets With Zairian Delegation [XINHUA] .....	10
--	----

### West Europe

Overseas Chinese in Norway Protest Peace Prize [XINHUA] .....	10
FRG Expands Cooperation in Vocational Education [XINHUA] .....	11
Turkish Joint Economic Commission Signs Accord [XINHUA] .....	11
Commodities Exhibition Opens in Denmark [XINHUA] .....	11

## NATIONAL AFFAIRS

### Political & Social

Reportage on Upcoming Fifth Plenary Session .....	12
Plenum Reportedly Postponed [Hong Kong MING PAO 21 Oct] .....	12
Central Planning To Increase [Hong Kong SOUTH CHINA MORNING POST 23 Oct] .....	12
Agenda Previewed [Hong Kong KUANG CHIAO CHING No 205] .....	14
Yuan Mu Writes for XUEXI on Turmoil [XINHUA] .....	16
Leadership's Secret Underground Railway Described [Hong Kong SOUTH CHINA MORNING POST 23 Oct] .....	17
Li Ruihuan Emphasizes Ideological, Political Work [XINHUA] .....	18
'Large-Scale Purge' of Party Members Planned [Hong Kong MING PAO 23 Oct] .....	18
RENMIN RIBAO on Jiang Zemin Speech [21 Oct] .....	19
RENMIN RIBAO on Antipornography Work [OVERSEAS EDITION 23 Oct] .....	21
BAN YUE TAN on Need for Stability [No 16] .....	22
Jiangsu Factory Runs Model Political School [RENMIN RIBAO 15 Oct] .....	24
Commentator Writes [RENMIN RIBAO 15 Oct] .....	26
Commentator on Strengthening Study of Marxism [NINGXIA RIBAO 9 Oct] .....	26
Article Views CPC 'Core' Leadership, Deng [Hong Kong KUANG CHIAO CHING No 205] .....	27
Pro-Democracy Leader Said Arrested in June [Hong Kong SOUTH CHINA MORNING POST 23 Oct] .....	30
State Council Condoloes Quake-Stricken Areas [XINHUA] .....	30
Improved Social Stability, Party Style Urged [RENMIN RIBAO 16 Oct] .....	31
Reform, Reeducation Through Labor Viewed [RENMIN RIBAO 13 Oct] .....	32
Official Addresses Family Planning Forum [XINHUA] .....	34
Archbishop Says 10 Priests Arrested [HONGKONG STANDARD 23 Oct] .....	34

### Science & Technology

Application of Technological Research Accelerated [CHINA DAILY 19 Oct] .....	35
Largest Far East Telescope Completed [XINHUA] .....	36
Anniversary Activities Held in 'Atomic City' [ZHONGGUO XINWEN SHE] .....	36
National Invention Exhibition Set for 3-12 Nov [XINHUA] .....	37
National Newspapers Now Automated [XINHUA] .....	37
Helicopter Production Plans Accelerated [ZHONGGUO TONGXUN SHE] .....	37

### Economic & Agricultural

Senior Official Confident About Foreign Trade [XINHUA] .....	37
Commentator Discusses Enlivening of Enterprises [RENMIN RIBAO 14 Oct] .....	38
Further on State Statistics News Conference .....	39
Fixed Asset Investment Reduced [XINHUA] .....	39
Market Slump Viewed [XINHUA] .....	39
Grain Output May Reach 400 Million Tons [CHINA DAILY 21 Oct] .....	40
Experts Urge Greater Nuclear Power Development [XINHUA] .....	40
Transportation Fare Hikes Reduce Passengers [XINHUA] .....	41
Doubts on Reform Goals Slow Production [SOUTH CHINA MORNING POST 21 Oct] .....	41
Official Reaffirms Enterprise Restructuring [XINHUA] .....	42
Article Discusses Contract System Problems [GUANGMING RIBAO 23 Sep] .....	42
Centralization To Leave Economic Zones Intact [HONGKONG STANDARD 23 Oct] .....	44
Official Urges Solution to Unfair Wage Scales [CHINA DAILY 21 Oct] .....	45

Policies on Rural Enterprises Readjusted [CHINA DAILY 21 Oct]	46
Bank Supports Technical Upgrade Projects [XINHUA]	46
First Catalog Issued for Private Sector [XINHUA]	46
Major Points of Agriculture Policy Outlined [XINHUA]	47
Commerce Minister on Autumn Crop Procurement [Beijing Radio]	47
State Council To Raise Cotton Prices [XINHUA]	48
Bank Issues Loans for Grain Procurement [CHINA DAILY 18 Oct]	48
Autumn Grain Plantings To Increase [XINHUA]	49
Research, Technology Help Improve Loess Soil [XINHUA]	49
Loess Plateau Improved With Foreign Capital [XINHUA]	50
Statistics Bureau Says Pork Supply Stable [XINHUA]	50
Fodder Output Increases Over Past 5 Years [XINHUA]	51
Kiwi Fruit Production, Exports To Be Increased [XINHUA]	51
Symposium Considers Changes in National Diet [CHINA DAILY 12 Oct]	51

## REGIONAL AFFAIRS

### East Region

Anhui Secretary Addresses Department Heads [Hefei Radio]	53
Anhui's Lu Addresses Commendation Meeting [ANHUI RIBAO 28 Sep]	53
Anhui Leaders View Armed Police Exercise [ANHUI RIBAO 26 Sep]	54
Fujian Propaganda Meeting Stresses Party Purity [Fuzhou Radio]	55
Fujian's Chen Addresses CYL Delegates [FUJIAN RIBAO 10 Sep]	55
Jiangxi Adjourns Propaganda Meeting; Wu Speaks [JIANGXI RIBAO 26 Sep]	56
Shandong's Jiang Attends Quiz on CPC Basic Line [Jinan Radio]	57
Shandong's Jiang Gives Cadres Send-off [Jinan Radio]	57
Shandong's Jiang Stresses Industrial Production [Jinan Radio]	57
Shandong Discusses Drought, Fall Planting [Jinan Radio]	59
Shanghai's Zhu Rongji Attends General's Funeral [Shanghai Radio]	60
Li Zemin Addresses Zhejiang Rural Work Meeting [Hangzhou Radio]	60

### Central-South Region

Guangdong Enterprise Closures Surpass 4,000 [Hong Kong WEN WEI PO 23 Oct]	61
Report Outlines Economic Crime by Guangdong Youths [ZHONGGUO XINWEN SHE]	62
Guangdong SEZ Port Venture Bankrupt [Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 19 Oct]	62
Guangxi CPC Meeting Views Economic Problems [Nanning Radio]	63
Guangxi Concludes Taxation Meeting; Wei Speaks [Nanning Radio]	63
Guangxi Secretary Stresses Study of Jiang Speech [Nanning Radio]	64
Hubei Secretary Guan Praises TV Series [Wuhan Radio]	64

### North Region

Beijing's Li, Chen Stress Political Work [Beijing Radio]	65
Further National Day Activities of Beijing's Li	65
Attends 26 Sep Celebration [BEIJING RIBAO 27 Sep]	65
Makes Speech [BEIJING RIBAO 27 Sep]	65
Beijing's Li at Meeting on Scientific Gains [Beijing Radio]	67
Inner Mongolia Secretary Chairs Party Meeting [Hohhot Radio]	67
Inner Mongolia Secretary Attends Monument Unveiling [Hohhot Radio]	68

### Northeast Region

Jilin's He Addresses Investigation Meeting [Changchun Radio]	68
Jilin's He Cuts Ribbon for Interferon Base [Changchun Radio]	69
Liaoning's Quan Meets Report Group Members [Shenyang Radio]	69
Liaoning's Quan Addresses Municipal Leaders [Shenyang Radio]	69



### Northwest Region

Gansu Leaders Attend Exhibition Opening [Lanzhou Radio] .....	70
Qinghai's Yin Stresses Enterprise Political Work [Xining Radio] .....	71
Qinghai's Yin Stresses Rural Ideological Work [Xining Radio] .....	71

### PRC MEDIA ON TAIWAN AFFAIRS

Economic Exchange Symposium Held in Guangzhou [XINHUA] .....	72
Taiwan Accused of Political, Cultural Offensive [Hong Kong HONGKONG STANDARD 23 Oct] .....	72
Three Beijing Activists Arrive in Taiwan [XINHUA] .....	72

### TAIWAN

North America September Trade Figures Cited [CNA] .....	73
Businessmen Plan Soviet Bloc Trade Via PRC [HONGKONG STANDARD 19 Oct] .....	73
Fishing Crew Released by Soviet Union [CNA] .....	73
Defense Minister Views Military Personnel Cuts [CNA] .....	74

### HONG KONG

#### Hong Kong

Deng Warns of Interference Against Subversion [HONGKONG STANDARD 21 Oct] .....	75
Mandatory Repatriation of Vietnamese To Proceed [SOUTH CHINA MORNING POST 20 Oct] .....	75
Illegal Immigrant Accord Reached With Hong Kong [XINHUA] .....	76

## General

### Reportage on 44th UN General Assembly Activities

#### Commentary Views Debates

HK1910084589 Beijing RENMIN RIBAO in Chinese  
14 Oct 89 p 3

["Commentary" by staff reporter Liu Kai Chen (0491 7030 1368) from the United Nations on 12 October: "Detente Accompanied by Conflicts—on the General Debates at the 44th UN General Assembly"]

[Text] The general debates at the 44th UN General Assembly ended today. At the 3-week meeting, representatives from 154 countries spoke one after another, extensively discussing a series of major issues in the world today. Although the atmosphere has been generally relaxed, differences and struggle are also obvious.

First, the concrete proposals put forward by the United States and the Soviet Union on the reduction and elimination of chemical weapons have drawn the attention of all the representatives. These proposals show that there has been some progress between the two superpowers on the issue of banning chemical weapons, but they also reveal that there still exist some contradictions and contentions between them. U.S. President George Bush put forward the proposal that the two countries should eliminate chemical weapons in three stages, but it does not include the advanced U.S. weapons. Soviet Foreign Minister Eduard Shevardnadze put forward a more thorough proposal that the two countries should ban the production of all chemical weapons in the hope of preventing the United States from producing a new generation of "binary chemical weapons." The United States and the Soviet Union possess the largest stockpiles of chemical weapons. They claim to have stored over 30,000 tons and over 50,000 tons of chemical weapons respectively. These amounts undoubtedly pose a threat to the security of mankind. Therefore, while the representatives of all countries welcomed the U.S. and Soviet proposals on the issue of chemical weapons, they also urged them to put these proposals into practice in order to facilitate the conclusion of an international pact on totally banning chemical weapons.

Second, the economic development of developing countries has become a pressing issue of general concern to the assembly. The cry for establishing a new international economic order has been louder at this meeting than at any previous ones. The representatives of many countries assert: The present world economic relations are not fair enough. For example, increased protectionism makes it difficult for the major products of developing countries to enter the international market. The Third World is shouldering a heavier burden of debt, which totals over \$1,300 billion. Funds are flowing back from impoverished countries to wealthy countries. In recent years, Latin American countries alone have shifted \$179 billion in capital to developed countries,

accounting for 4 percent of their annual gross output value. The international currency and monetary markets are unstable, and interest rates are persistently high. The representatives believed that these problems will seriously hinder the economic recovery and development of developing countries and that there is an urgent need to hold another round of substantially meaningful North-South talks to solve them. They also hope that all governments will attach ample importance to and make good preparations for the special UN General Assembly on economic problems scheduled for April next year.

Chinese Foreign Minister Qian Qichen proposed, for the first time in the UN General Assembly, the proposition of establishing a new international political order. It has been well received by a good many developing countries. The proposition focuses on the Five Principles of Peaceful Coexistence and opposition to hegemonism and power politics. During the assembly debate, the United States happened to be involved in the abortive coup d'etat in Panama. The vivid example disclosed by Panamanian President Francisco Rodriguez shows that hegemonism and power politics do exist. Furthermore, in their speeches, several Western countries' representatives used the pretext of "human rights" to launch absolutely irrational attacks on the Chinese Government. Foreign Minister Qian Qichen revealed in his speech that their practice of interfering in China's internal affairs is a downright violation of the norms of international relations and the basic principle of the UN Charter. Foreign Minister Qian's speech was welcomed and acclaimed by the representatives of over 50 countries. They support China's just stand of big and small countries being all equal and of opposing power politics.

During the debate, Vietnam's fraud of "total withdrawal of troops" was laid bare. Vietnam chose the opportunity of the UN General assembly debate to claim the "total withdrawal" of Vietnamese troops occupying Cambodia in an attempt to deceive world public opinion. Nonetheless, the participants are generally skeptical of this, maintaining that the withdrawal of troops without effective international supervision is only a propaganda gimmick Vietnam is playing. The foreign ministers of Singapore, Thailand, and other countries explicitly demanded that Vietnam should genuinely withdraw its troops from Cambodia under UN supervision. They also called for a comprehensive and just solution to the Cambodian issue.

The debate touched on various problems and contradictions which still exist in the present-day world. As an international organization, the United Nations has made some achievements. Nonetheless, it still has to face very formidable tasks in safeguarding world peace and justice and opposing hegemonism and various forms of power politics.

**Disarmament Position Stated**

*OW2110030989 Beijing XINHUA in English  
0048 GMT 21 Oct 89*

[Text] United Nations, October 20 (XINHUA)—China is always opposed to the arms race and stands for the complete prohibition and thorough destruction of nuclear, chemical, and biological as well as space weapons, Chinese Representative Hou Zhitong reaffirmed here today.

Ambassador Hou was speaking at the general debate of the First Committee on Disarmament which began last Tuesday.

While welcoming new developments in both bilateral and multilateral disarmament, he pointed out, "The world is by no means trouble-free and the root cause of the international tension and turbulence is yet to be removed."

"In the field of disarmament, the tasks remain arduous," he said. "Instead of putting an end to their arms race, the superpowers are striving to improve the quality of their weapons, vying with each other in developing hi-tech weapon systems, and extending the arms race to the outspace."

The Chinese ambassador said that the attainment of the complete prohibition and thorough destruction of nuclear weapons "hinges on the superpowers which possess the world's largest and most advanced nuclear weapons."

He called on the two superpowers, the United States and the Soviet Union, to fulfil their special responsibility of nuclear disarmament "by taking the lead in stopping the testing, production, and deployment of all types of nuclear weapons and by the drastic reduction and destruction of all types of nuclear weapons deployed inside or outside their territories."

He emphasized that the Chinese Government maintains that "as an effective measure to prevent a nuclear war, all the nuclear-weapon states should undertake not to be the first to use nuclear weapons at any time and under any circumstances, and refrain from using or threatening to use nuclear weapons against non-nuclear-weapon states and nuclear-free zones."

He reiterated that China does "not encourage or engage in nuclear proliferation," and does "not help any country to develop nuclear weapons." Turning to the question of conventional disarmament, the ambassador said the big powers possessing the largest conventional arsenals have a special responsibility for conventional disarmament and should reach agreement at an early date on drastic reductions of their conventional weapons through serious negotiations.

"It is crucial that the conventional disarmament efforts should focus on the European region and the members of

the two major military alliances, and, in particular, on the major powers among them."

He also pointed out that it is unfair to deliberately exaggerate and play up the rate of the increase in the military expenditure and armaments of the developing countries, or to try to shift on them the primary responsibility for the arms race.

In fact, he said, some of the Third World countries which have made economic and social development their top priority "are compelled to maintain certain military capacity necessary for coping with the threats of armed invasion, interference, and subversion imposed on them".

"Naturally, no country under any circumstances should seek a conventional military capacity in excess of its need for self-defence, let alone use it for armed aggression and intervention against other countries," he said.

Commenting on the space arms race, the ambassador warned that "the development of space weapons has exacerbated the escalation of the arms race, which leads to the militarization of outer space, thus posing a new threat to the existence of mankind and the international security."

He said, the countries with the largest space capabilities competing for space weapon development should bear a special responsibility to undertake not to test, develop, manufacture and deploy space weapons and destroy all the existing space weapons.

Referring to the question of chemical weapons, Ambassador Hou told the committee that China, which is firmly opposed to the use and proliferation of chemical weapons, holds that the effective way to prevent chemical proliferation is to conclude as early as possible a convention on the comprehensive ban of chemical weapons.

"China wishes to see that pending the conclusion of the convention all countries which have chemical weapons would pledge not to use chemical weapons and that all countries with chemical weapon capabilities not to test, produce, or transfer such weapons."

He stressed that all countries should have the right to participate on an equal footing in the discussion and solution of the question of disarmament. Moreover, he added, "Any bilateral disarmament agreement must not compromise the interest of other countries and any regional agreement must not infringe on the security of other regions."

**Reportage on Delegation's UNESCO Activities****Leader Meets Director General**

*OW2310130189 Beijing in English to East and South Africa 1700 GMT 17 Oct 89*

[Text] The leader of the Chinese delegation to the 25th UNESCO General Conference, which opened today, has

pledged his delegation's support and cooperation in order to make the conference a success.

Teng Teng, who is also vice minister of the Chinese State Education Commission, told Radio Beijing's Paris correspondent that China will adhere to its policy of reform and opening to the outside. It is willing to develop cooperation and exchanges with other countries in education, science, and other areas of culture.

The Chinese delegation leader met with the Director General of the UNESCO Federico Mayor yesterday. During the meeting, Mayor said that the UNESCO will further enhance friendly cooperation with China.

### **Teng Elected to Post**

*OW1910050989 Beijing XINHUA in English  
0219 GMT 18 Oct 89*

[Text] Paris, October 17 (XINHUA)—The 25th General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO) held a general assembly in Paris this afternoon to elect a new president and vice-presidents of the general conference.

The Malaysian minister of education, Anwar Ibrahim, was elected president while heads of delegations from 35 other countries were elected as vice-presidents, including Teng Teng, Chinese vice minister in charge of the State Education Commission.

The assembly also elected the heads of all special commissions.

### **Development Strategy Stated**

*OW2110232989 Beijing XINHUA in English  
0636 GMT 21 Oct 89*

[Text] Paris, October 20 (XINHUA)—China expressed its hope today at the 25th UNESCO session that the organization would continue to encourage and support the efforts in searching for different development strategies and modernization approaches, instead of confining itself to a given model or concept.

Teng Teng, head of the Chinese delegation and vice minister of State Education Commission, said at the session that the imposition of a specific development model and social values upon others, conforming neither to the norms of international relations nor to the trend of international development, is unacceptable to any sovereign state.

In his wide-ranging speech, Teng covered the issues of international situation, examination of the draft medium-term plan for the next six years, a new world information and communication order, and development, etc.

On the examination of the draft medium-term plan for the next six years, he expressed China's support to all the programs concerning education and especially those in

relation to basic education, to all programs related to basic sciences, engineering sciences and environment sciences.

He also said that China will actively participate in the various activities for cultural cooperation within the framework of the world decade for cultural development initiated by the organization.

Referring to a new world information and communication order, Teng pointed out that the demand of developing countries is "fully justified and reasonable," to which China renders its firm support.

At the end of his speech, Teng hoped that the long-time, good and cooperative relations between China and UNESCO would be further strengthened during Federico Mayor Zaragoza's terms of office as director-general of the organization.

### **UN Fund for Population Control Conference Ends**

*OW2110141789 Beijing XINHUA in English  
1624 GMT 20 Oct 89*

[Text] Shanghai, October 20 (XINHUA)—The birth rate of China's population dropped from 2.2 percent in the period 1970-1975 to 1.23 percent in the period 1980-85, while the natural growth rate in the same periods also dropped from 21.9 per thousand to 12.3 per thousand.

These figures were revealed at a conference to review the results of ten years of co-operation between China and the UN Fund for Population Activities (UNFPA), which closed here today.

At the conference, Chinese and foreign demographers listed a few major factors which account for the drop:

- China has managed to educate its people about the relationship between population and economic development.
- The government has put family planning into the Constitution as a national policy.
- The mass media have been extensively harnessed to put the message across.
- Late marriage and the one-child policy have been encouraged by giving privileges in wages, housing, nurseries and school enrollment.
- Family planning departments have [word indistinct] up from the central government level down all the local governments at different levels.
- The Chinese people have come to know that the 1.1 billion population accounts for 23 percent of the world's total, and China's population-control policy bears vital significance both for China and the world.



Dr. Van Arentonn, assistant executive director of UNFPA, said, "No other country in the world has achieved this kind of reduction in population growth rate."

#### **Further on Administrative System Reform Meeting**

*HK2310021189 Beijing RENMIN RIBAO in Chinese  
17 Oct 89 p 2*

[Report by XINHUA reporter Hu Qinghai (5170 3237 3189) and RENMIN RIBAO reporter Chen Weiwei (7115 4850 0251): "Zhao Dongwan Says China Will Conduct Overall Reform in Administrative System"]

[Text] An international symposium on government administrative management reform sponsored jointly by the State Organization Establishment Committee and the Ministry of Personnel opened in Beijing today [17 October].

More than 500 people attend<sup>d</sup> the symposium. They were representatives from scientific research units, institutions of higher learning, state organs, and some provinces and cities, as well as senior officials, experts, and scholars from 14 international organizations and countries, including Canada, France, Finland, the Federal Republic of Germany, India, Italy, the Soviet Union, Pakistan, the United States, Yugoslavia, and the Public Administrative Organization of the Eastern Region, the International Administrative Science Society, and the Technological Cooperation Department of the United Nations.

At the international symposium, Chinese and foreign representatives held discussions and exchanged information on the methods and the experiences of structural reform of the administrative management of the countries concerned; the different patterns of administrative management reform in developing countries; the scientific and legal nature of the methods of operation, establishment of offices, and the government's functional distribution; relations between the central and local government; and increasing administrative efficiency.

In his speech delivered at the opening ceremony, Zhao Dongwan, deputy director of the State Organization Establishment Committee and Minister of Personnel, said that the structural reform of the government administration occupies an extremely important position in China's current political, economic, and social life. The first step of the structural reform, which is characterized by a change in government functions introduced by the central government in 1988, has been completed successfully. Preparations for the administrative structural reform of local governments are also under way. The administrative structural reform introduced by the Chinese Government has laid a solid foundation for carrying out structural reform of government administrative management in an all-round way. The change in functions also constitutes an important step for the government organs to adapt themselves to the progress of economic structural reform. Zhao said that we should

expand the scope of reform, deepen reform, and carry out structural reform of government administrative management in an all-round way.

(Morui), representative of the UN Planning Commission in Beijing, and (Halir), deputy personnel minister of Pakistan, also delivered speeches at the symposium. The symposium obtained the vigorous support of the the UN Planning Development Commission and the China International Economic and Technological Exchange Center.

#### **Environmental Protection Cooperation Extended**

*OW0910112889 Beijing XINHUA in English  
0924 GMT 9 Oct 89*

[Text] Beijing, October 9 (XINHUA)—China has had extensive environmental protection contacts with more than 50 countries and regions, according to the State Environmental Protection Bureau.

An official of the bureau said cooperation is mainly in exchanging experts and technology for the elimination of air and water pollution, solid wastes, noise and radioactivity, environmental protection education and monitoring.

The United Nations environmental program has sponsored three training courses in desert control and utilization in China and established an international desert control research training center. The program has also made a grant of 10 million U.S. dollars to help east China's Zhejiang Province eliminate water pollution.

The official noted, China is also making a joint study with U.N. organizations of the giant panda, one of the world's rare animals.

#### **United States & Canada**

##### **New Ambassador Confident on U.S. Relations**

*OW2110022989 Beijing XINHUA in English  
0131 GMT 21 Oct 89*

[Text] Washington, October 20 (XINHUA)—The new Chinese ambassador to the United States said here today that he is confident of the future development of the Sino-U.S. relations.

"Though the current relations between China and the United States remain in a difficult stage, indeed, I believe that so long as the two sides keep the well-known Five Principles of Peaceful Coexistence and all the principles set in the three joint communiques, we can overcome the difficulties and obstacles and bring the bilateral relations to normality," Zhu Qizheng told XINHUA upon his arrival.

The three communiques are the Shanghai communique of 1972, the communique on the establishment of diplomatic relations between China and the United States, and the communique of August 17, 1982 on U.S. arms sales to Taiwan.

The 61-year-old Zhu, who was a vice foreign minister took up the new post [as received], also said he is "very delighted to come here as the new Chinese ambassador to the United States of America."

"I'd like to take this opportunity to express my hearty wish and greetings to the American people," he said.

He added, "It is my sincere hope that, during my tenure of office here, I'll be able to make positive contributions to the development of bilateral relations and friendship between the two peoples."

Zhu, one of the top Chinese diplomats, has handled American and Oceanian affairs for many years. He was deputy director and director of the Department of Affairs of the Americas and Oceania of the Chinese Foreign Ministry and assistant foreign minister.

### Soviet Union

#### Li Peng Meets Group; Stresses Supervision Work

OW2110134389 Beijing XINHUA in English  
1325 GMT 21 Oct 89

[Text] Beijing, October 21 (XINHUA)—Chinese Premier Li Peng said here today that at a time when the policy of reform and opening to the outside world is being carried out nationwide, supervision work must be strengthened to ensure the smooth implementation of the policy.

He made the remark at a meeting with a delegation of the Committee of People's Control of the Soviet Union led by its president, G. Kolbin.

During the meeting, the premier briefed the Soviet guests on China's supervision and discipline inspection work in the fields of the Communist Party, the government and judiciary.

Li said that China's administrative supervision body has been established step by step since the Third Plenary Session of the 11th Central Committee of the Chinese Communist Party in 1978. The new party leadership elected last June by the fourth plenary session of the 13th party Central Committee has attached great attention to supervision work and taken resolute measures in building an honest and clean government. There has been a great improvement in supervision work and several big cases have been investigated and dealt with, he added.

"We are determined to do a better job in this respect," the Chinese premier said.

The Soviet delegation arrived here October 19 for a 10-day visit at the invitation of China's Ministry of Supervision.

#### Chief Procurator Meets, Fetes Delegation

OW2010125189 Beijing XINHUA in English  
1150 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Liu Fuzhi, chief procurator of the Chinese Supreme People's Procuratorate (SPP) met and gave a dinner for a delegation from the Soviet Procurator's Office led by its deputy procurator-general, A. S. Pobezhimov, here this evening.

The delegation, which arrived in Beijing today, is here to exchange experiences with the SPP.

#### Delegation Leaves Jiayin County for Home

SK2310023089 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 21 Oct 89

[Summary From Poor Reception] A seven-member economic and trading delegation from the Amur Oblast of the USSR ended a visit to Jiayin County, Heilongjiang Province, and returned home on 21 October. This delegation came to Jiayin County for visit at the invitation of the Jiayin County People's Government. The sides held friendly talks on developing long-term economic, trading and technological cooperation.

### Northeast Asia

#### Japan Calls For Cultural Exchange Promotion

OW2110082689 Beijing XINHUA in English  
0748 GMT 21 Oct 89

[Text] Tokyo, October 20 (XINHUA)—A Japanese official of the Education Ministry said here today that the cultural and educational circles of Japan and China should further promote cultural and educational exchanges between the two countries.

In an inauguration ceremony for the new office of the educational representative of the Chinese Embassy in Japan, Zenichi Tanigawa, deputy secretary of the educational minister's Secretariat, said that Japan and China should make great efforts to overcome current obstacles in exchanges and continue promoting them in the fields of culture, education and physical culture between the two peoples, especially the young people.

Tanigawa said that under a protocol of the two governments, the exchange of students between the two countries has been strengthened over the past ten years. Now the number of Chinese students studying in Japan has reached 7,700.

Keijiro Iguchi, curator of the National Museum of Tokyo and former vice educational minister, said at the ceremony that the educational exchanges between Japan and China have greatly developed over the past ten years thanks to the joint efforts and mutual trust of personages concerned of the two countries. He hoped the two countries will continue the exchanges.



Speaking on the same occasion, Chinese Ambassador to Japan Yang Zhenya said that the sending of students to Japan by the Chinese Government has great significance in China's modernization process and in training successors for the cause of Sino-Japanese friendly relations.

On another occasion, a Japanese Foreign Ministry spokesman said Friday that Japan plans to propose talks with China in Beijing on promoting cultural exchanges between the two countries.

### Scholars Criticize Japanese Textbook Revision

OW2010203389 Beijing XINHUA in English  
1555 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Chinese scholars have criticized the Tokyo Local Court's recent ruling on revision of a Japanese high school history textbook.

In an announcement published today, the Chinese scholars and historians expressed their "surprise and indignation" at the ruling.

The announcement, signed by about 50 well-known scholars and historians, pointed out that the revision of the history book by the Japanese Education Ministry was wrong and the Tokyo Local Court's ruling on the textbook revision was unjust.

The Tokyo Local Court's ruling said that it was not unconstitutional for the Japanese Education Ministry to revise facts in a history book, which includes the characterization of the Japanese past "aggression" against foreign countries including China as an "advance" and expurgated the facts concerning the massacre in Nanjing, bacteriological warfare and massacres.

The scholars and historians have been attending a symposium in Beijing on the anti-Japanese war and have presented 33 theses.

In the announcement the scholars and historians also said that the aggression against China by Japanese militarism was a fact firmly maintained by the international community including the ruling by the Far East Military Tribunal in 1945.

"We Chinese are reluctant to keep bringing up the bitter past, but that does not mean that we can allow the Japanese to hurt Chinese feelings by distorting history," the announcement said.

It also said that it is a historic trend for the Chinese and Japanese peoples to maintain good relations for generations, which no one can block.

### Japanese Experts Arrive To Teach Language

OW2010104389 Beijing XINHUA in English  
0839 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Wang Nai, director of the State Bureau of Foreign Experts Affairs,

met Yoke Sasakawa, chairman of the Japan Shipbuilding Industry Foundation, and 15 Japanese experts sent by Japan-China Technicians' Exchange Center here today.

The experts, as the first group funded by Sasakawa Peace Foundation, will teach Japanese in 15 Chinese colleges and universities for a year.

### DPRK Environmental Delegation Visits Jilin

SK2310021089 Changchun Jilin Provincial Service  
in Mandarin 1030 GMT 19 Oct 89

[Text] On the afternoon of 19 October, Gao Wen, vice governor of Jilin Province, received and feted the eight-member environmental protection delegation of the DPRK, which is headed by (Choe Chin-chong), responsible secretary of the Hungnam Chemical Fertilizer Complex. The visit of the DPRK delegation is aimed at learning about the technology and experience gained by the PRC in bringing environmental pollution under control, improving the pollution phenomenon, and particularly in bringing under control the pollution in chemical industry. The DPRK delegation arrived in Changchun City on the morning of 19 October and will pay a visit to Jilin City.

During the reception, the Korean guests were briefed by Vice Governor Gao Wen on the work done by the province in protecting the environment. Hosts and guests discussed the friendship established by both Chinese and Korean people and exchanged opinions on matters of common concern.

### Friendship Anniversary Marked in Ulaanbaatar

OW2110123089 Beijing Domestic Service in Mandarin  
0530 GMT 17 Oct 89

[Text] The Executive Council of the Federation of Mongolian Peace and Friendship Organizations and the Mongolian-Chinese Friendship Society yesterday held a film-and-cocktail party in Ulaanbaatar to celebrate the 40th anniversary of the establishment of ties between China and Mongolia.

In his speech, Bilegt, vice chairman of the Executive Council of the Federation of Mongolian Peace and Friendship Organizations, wished the brotherly Chinese people new and great success in their socialist development and in the consolidation of peace and friendship with peoples of all countries.

During his speech, Zhang Delin, Chinese ambassador to Mongolia, said: After the establishment of Sino-Mongolian ties, the friendly relations between the two countries developed rapidly on the new foundation. From now on, we will, as in the past, continue to expand Sino-Mongolian friendly relations in accordance with the spirit of the Sino-Mongolian Friendship Treaty and on the basis of the Five Principles of Peaceful Coexistence.

## Southeast Asia & Pacific

### Thai Official Promises To Continue Good Relations

HK2210045289 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 1307 GMT 18 Oct 89

[Report: "Thai Vice Interior Minister Says, Nothing Whatever Will Affect Thai-Chinese Relations"]

[Text] Bangkok, 18 Oct (ZHONGGUO TONGXUN SHE)—Naidailong [0035 1486 7127], Thailand's Vice Interior Minister, stressed that no matter what happens in the world, the friendly and cooperative relationship between Thailand and China will not be affected.

Naidailong made the above statement at last night's farewell banquet held by Chen Shih-hsian, chairman of the Public Welfare Foundation of the Chinese Newspaper Personnel in Thailand in honor of Wang Haishan, counselor for the Chinese Embassy in Bangkok.

Naidailong said: Thai Prime Minister Chatchai mentioned his contacts with some leaders of European countries during his recent visit to Europe at yesterday's cabinet meeting. Chatchai said that most of these European leaders were rather unfriendly toward China after the June 4 Incident and some of them even threatened to sever diplomatic relations with China. Chatchai gave much explanation to them, pointing out that the Tiananmen Incident was sheerly an internal affair of China. China is a large country and a member of the international community that cannot be neglected. It is not sensible to sever relations with China. When he visits China next week, Chatchai will brief the Chinese leaders about his visit to Europe.

Naidailong said: The two governments and the two peoples of Thailand and China have deepened their mutual understanding through frequent contacts. He believed that Thailand and China will continue to develop their friendly relations.

### Thai Deputy Prime Minister Visits

#### Meets Jiang Zemin

OW2010202389 Beijing XINHUA in English  
1518 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Jiang Zemin, general-secretary of the Chinese Communist Party Central Committee, met Phichai Rattakun, deputy prime minister of Thailand, and his party here today.

Jiang expressed satisfaction with the growth of the friendly co-operative relations in all fields between the two countries.

He also expressed his thanks to the Thai Government and Thai Prime Minister Chatchai Chunhawan for their attitude of sympathy and support for China's quelling of the anti-government turmoil earlier this year.

### Li Peng Discusses Sanctions

OW2110101489 Beijing Domestic Service in Mandarin  
2230 GMT 20 Oct 89

[From the "News and Press Review" program]

[Text] At a meeting with Phichai Rattakun, deputy prime minister of the Kingdom of Thailand, and his party in the Diaoyutai State Guesthouse in the evening of 20 October, Premier Li Peng said: Thailand is one of the countries most friendly to us. We are prepared to strengthen cooperation with Thailand in all fields, including economy and trade.

At the meeting, Li Peng expressed thanks to Phichai for the tremendous efforts the latter made in his capacity as chairman of the Thai Reception Committee during the former's successful visit to Thailand last year. He said: You are free to go anywhere in the streets and visit any tourist location during your stay in Beijing. You will find that the situation in China is stable.

Li Peng continued: Some countries in the West exerted pressure on and imposed economic sanctions against us after we put down the counterrevolutionary rebellion in Beijing. They will cause some difficulties for us. However, one should note that China has great resilience against pressure. Of course, we ourselves shall not close the door that has been opened to the outside world. Nevertheless, some Western countries tried to close their doors to China. This situation is not going to last for long. We are prepared to develop relations, including economic relations, with them on the basis of the Five Principles for Peaceful Coexistence.

Touching on the economic situation, Li Peng said: At present, we do face some difficulties in the field of economy. The pace of development has slowed and the market has slumped. However, this provides an opportunity for our enterprises to carry out restructuring, improve the quality of their products, and develop a wider range and more varieties of products. China's economy will never suffer a shrinkage as predicted by some people in the West.

Phichai said: Thailand has maintained all along that what happened in Beijing earlier this year is China's internal affair and that a foreign country has no right to interfere with it. Thailand is willing to expand cooperation with China in all fields.

After the meeting, Li Peng hosted a dinner banquet for the Thai guests. Foreign Minister Qian Qichen took part in the meeting as well as the banquet.

### Thai Deputy Foreign Minister To Visit

OW2010120589 Beijing XINHUA in English  
1112 GMT 20 Oct 89

[Text] Bangkok, October 20 (XINHUA)—Thailand's Deputy Foreign minister Praphat Limpaphan will go to

China on October 31 for the ninth session of the Sino-Thai Joint Committee on Scientific and Technical Cooperation, a Thai Foreign Ministry spokesman said here today.

During the meeting, which was scheduled to take place in Beijing from October 31 to November 3, the two sides will review existing programs on economic cooperation between the two countries, and discuss the possibility of expanding areas of cooperation.

Such cooperation includes joint research activities and exchanges of technical personnel which could provide technical advice for projects of mutual interest.

The joint committee was set up under an agreement on scientific and technical cooperation signed in 1978. In the agreement Thailand agreed to implement 15 items requested by the Chinese side.

The requests involve exchange of seedlings and animals of various species, and training of Chinese personnel in forestry, agriculture and geology.

China also agreed to implement 16 requests made by Thailand in agricultural, public health, industrial and scientific and technical fields.

### **Burmese Army Commander-In-Chief Pays Visit**

#### **Meets Qin Jiwei**

*HK2010123989 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1410 GMT 19 Oct 89*

[Report by Li Wei (2621 0251): "Qin Jiwei Meets Than Shwe, Commander-In-Chief of the Myanmar Army"]

[Text] Beijing, 19 Oct (ZHONGGUO XINWEN SHE)—General Qin Jiwei, state councillor and minister of national defense, met with Than Shwe, commander-in-chief of the Myanmar Army, and his delegation this afternoon.

The delegation led by Lieutenant General Than Shwe, composed of more than 20 members, arrived in Beijing last night to start their 10-day visit to China. This is the first Myanmar delegation to China led by a senior Myanmar Army leader since 1978.

During their 1-hour meeting, Qin Jiwei recalled the traditional friendship between China and Myanmar. He said that China will persist in its independent foreign policy of peace and strengthen its unity and cooperation with Third World countries. This is a firm and unshakable policy of China. China highly treasures the friendship between the two countries and attaches great importance to the current visit of the delegation led by Lieutenant General Than Shwe. It is in the interests of the two peoples to strengthen the exchange between the two armies. The cooperation between China and Myanmar can be promoted in a vast field.

Qin Jiwei pointed out that the riot which occurred in Beijing in the late spring and early summer was instigated by a very small number of people in our country who were hostile to socialism and were backed by hostile forces abroad. The Chinese Government and the Central Military Commission adopted resolute measures to quell the riot. In this struggle, some Western countries have flagrantly attacked China and put all kinds of pressure on it. They have violently interfered in China's internal affairs. China will never yield to any foreign pressure, at present or in the future.

Qin Jiwei also briefed his guests on China's national construction and national defense industry. He said: Thanks to the construction over the past 40 years, especially since the reform and opening up over the past decade, great changes have taken place in China. Along with the development of the national economy, China's national defense industry has also made marked progress. At present, although there is still a gap between China and the developed countries in this respect, China is confident of overcoming difficulties and making the country more prosperous and strong.

Lieutenant General Than Shwe said that his country highly treasures its friendship with China. He stated that China is a real and reliable friend of Myanmar, and his country will make unremitting efforts to further strengthen the friendly relations between the two countries and the two armies.

After the meeting, General Xu Xin, deputy chief of the General Staff of the Chinese People's Liberation Army, gave a banquet to welcome the distinguished Myanmar guests. Xu Xin also held talks with Lieutenant General Than Shwe this morning on matters of common interest.

#### **Meets Li Peng**

*OW2010133889 Beijing XINHUA in English  
1226 GMT 20 Oct 89*

[Text] Beijing, October 20 (XINHUA)—Chinese Premier Li Peng met a goodwill delegation from Myanmar (Burma) led by Lieutenant-General Than Shwe, commander-in-chief of the Myanmar Army, here this afternoon.

Speaking about the good neighboring [as received] relations between China and Myanmar, Li said that "we should cherish our friendship built up by statesmen of the old generation of the two countries."

He said that the bilateral friendly relations of cooperation will further grow on the Five Principles of Peaceful Co-existence. [sentence as received]

Than Shwe agreed, saying that both sides are responsible to maintain and develop this friendship. The delegation's current visit, he said, is aimed at advancing the friendly ties between the two countries and two armed forces.

Li said that there are broad prospects for bilateral cooperation in the fields of economy, trade, science, technology and military affairs.

Li Peng briefed the visitors on China's development strategies and current economic situation. He said that China's foremost task at present is to boost productivity and improve the living and educational conditions of the people. "We must exert great efforts to achieve this end," he added.

After the meeting, Chi Haotian, chief of General Staff of the Chinese People's Liberation Army, hosted a dinner for the guests.

### **Textile Enterprise Planned in Australia**

OW2210074389 Beijing XINHUA in English  
1606 GMT 21 Oct 89

[Text] Shenzhen, October 21 (XINHUA)—A company based in Shenzhen, in south China's Guangdong Province, is to build a large textile enterprise in Darwin, in the north of Australia.

This is China's first such venture.

The Shenzhen company has bought a 50,000 sq m plot of land in Darwin to build the enterprise, which will call for 20 million Australian dollars of investment.

On the site, a mill to manufacture knitwear, textiles, bedding, silk garments and jeans are planned; the whole project is scheduled for completion in 1996.

Construction of the knitwear mill has started and the mill is expected to be completed in October 1990.

## **Near East & South Asia**

### **Kuwait Agrees To Grant Preferential Loan**

OW1910111989 Beijing XINHUA in English  
1038 GMT 19 Oct 89

[Text] Shenzhen, October 19 (XINHUA)—Kuwait has agreed to give China a preferential loan of 28 million U.S. dollars.

The loan, offered by the Arabian Economic Development Fund, will be used to buy navigation instruments and equipment for the Shenzhen Airport, which is under construction.

A panel of seven experts from Kuwait arrived in Shenzhen early this month to appraise the project and initialled an agreement with the Shenzhen authorities on Tuesday.

All construction is expected to be complete by the first half of 1991 and the airport will be put into operation in the second half of 1991.

### **XINHUA Interviews Saudi Trade Representative**

OW2010153089 Beijing XINHUA in English  
0921 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—The direct business activities between Saudi Arabia and China are increasing in recent years and the trade volume has multiplied.

In an exclusive interview with XINHUA here today, Tawfiq Alamdar [name as received], who is heading a trade representative office of Saudi Arabia in Beijing, said leaders of both countries deem it necessary to establish direct trade ties between the two countries in an effort to push the trade development to a new level.

Thus, he added, the two countries set up trade representative offices in each other's capital according to the agreement signed in Washington on November 11, 1988.

He expressed his satisfaction over the development of bilateral ties since the establishment of the trade offices, saying that in the past two months, Saudi Arabia has sent two sports delegations and an anti-drug delegation to visit China and that China will hold a large export commodity fair in December this year in Riyadh, capital of Saudi Arabia, with more than 50 companies and enterprises participating.

These contacts, the trade representative continued, are just a beginning and the two countries can join hands in some other fields. His office will do its best to advance bilateral relations, he said.

Speaking of his impression on China, he said, he was pleased to live in a capital with a long history and an ancient civilization.

He also gave an account of the economic achievements Saudi Arabia has made.

### **Bhutanese Foreign Minister To Visit 29 October**

OW1910143989 Beijing XINHUA in English  
1430 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—Dawa Tsering, minister of foreign affairs of Bhutan, will arrive here October 29 as head of a delegation to attend the sixth round of boundary talks between China and Bhutan.

This was announced by a Chinese Foreign Ministry spokesman here this afternoon.

### **NPC's Lei Jieqiong Meets Iraqi Delegation**

OW2110085489 Beijing XINHUA in English  
0757 GMT 21 Oct 89

[Text] Beijing, October 21 (XINHUA)—Lei Jieqiong, vice chairman of China's National People's Congress (NPC) Standing Committee, met with a friendly delegation from Iraq here today.



The delegation, led by Issa Salman Hamid [name as received], president of the Iraq-China Friendship Association, is here as guest of the Chinese People's Association for Friendship With Foreign Countries.

### **1000 Tons of Edible Salt Granted to Nepal**

*OW2110144989 Beijing XINHUA in English  
1538 GMT 20 Oct 89*

[Text] Kathmandu, October 20 (XINHUA)—China will grant 1,000 tons of edible salt to Nepal.

A hand-over ceremony was held today at the friendship bridge on the border of the two countries.

The first consignment of 95 tons was handed over to the Nepalese side, and the remaining 905 tons will be delivered later in batches.

Chinese Ambassador Li Debiao and Nepalese Secretary of the Ministry of Supplies H.S. Shrestha signed a hand-over certificate.

In his speech, the Chinese ambassador expressed the hope that the 1,000 tons of salt will play some role when the Nepalese people are in need.

Shrestha expressed Nepal's gratitude to the Chinese Government for the grant.

The grant was made in accordance with a letter exchanged by the two governments in August.

The Chinese leader expressed his appreciation for the active mediation efforts by President Mobutu Sese Seko in seeking internal peace and national reconciliation of Angola.

Gambembo conveyed President Mobutu's congratulations to Jiang for assuming the post of the CPC general secretary and Mobutu's support to China's quelling of the counter-revolutionary rebellion occurred in Beijing in early June this year. He also spoke highly of the achievements China made in the past four decades.

During the meeting, both expressed satisfaction over the friendly relations of cooperation between the two parties and countries. They also briefed each other the situations in their respective countries.

Jiang asked Gambembo to convey his cordial regards and the regards of other Chinese leaders to President Mobutu Sese Seko.

Zhu Liang, head of the International Liaison Department of the CPC Central Committee, and Zairean Ambassador to China Lombo Lo Mangamanga were present on the occasion.

The delegation arrived in China on October 17 at the invitation of the CPC.

## **Sub-Saharan Africa**

### **Jiang Zemin Meets With Zairian Delegation**

*OW2210143689 Beijing XINHUA in English  
1328 GMT 22 Oct 89*

[Text] Beijing, October 22 (XINHUA)—Chinese leader Jiang Zemin reiterated today that China always supports the just cause of the African people and firmly supports the South African people in their just struggle to eliminate apartheid.

While meeting a delegation from the Popular Movement of the Revolution (PMR) of Zaire led by Gambembo Fumu wa Utadi, executive secretary in charge of external relations of the PMR Central Committee, here today, Jiang, general secretary of the Chinese Communist Party (CCP) Central Committee, said that China is happy to see that the South African people have made headway in their struggle against apartheid and in seeking a political solution to the South African question. China will continue its support to the South African people in this regard, he added.

He expressed the hope that the independence of Namibia will be realized smoothly by implementing the U.N. General Assembly Resolution No. 435. He also hoped to see the realization of national reconciliation in Angola.

## **West Europe**

### **Overseas Chinese in Norway Protest Peace Prize**

*OW2110082189 Beijing XINHUA in English  
0731 GMT 21 Oct 89*

[Text] Stockholm, October 20 (XINHUA)—More than 100 Chinese living in Norway signed a letter to the Nobel Committee today protesting against its awarding this year's peace prize to the Dalai Lama.

The awarding of this year's peace prize has nothing whatsoever to do with peace because it would only sow hatred and dissension in the Chinese family of nationalities, the letter said.

The letter stressed that Tibet has always been an inalienable part of China and the Tibetan nationality as well as other minority nationalities are members of the Chinese family, just as the Lapps living in Finnmark and other northern states are members of the Norwegian family.

"We believe the Nobel Committee would not give a prize to any Lapp who seeks to break Finnmark and other regions away from Norway," the letter said.

### **FRG Expands Cooperation in Vocational Education**

*OW2210060489 Beijing XINHUA in English  
1121 GMT 21 Oct 89*

[Text] Nanjing, October 21 (XINHUA)—China and Federal Germany will expand their cooperation in vocational education, according to a symposium on vocational education held in Wuxi, Zhejiang Province, from October 17 to 20.

Sino-Federal German co-operation in vocational education has developed soundly in the last decade. Since the first joint project—the Nanjing Training Center for Builders—was set up in 1982, the two countries have co-operated in more than 10 projects in Nanjing, Beijing, Shanghai and Tianjin.

Federal Germany has had great success in vocational education. It has set up a system in which students are trained by the joint efforts of schools and businesses, both learning the theory and putting it into practice.

Built with financial and technical help from Federal Germany, some of the projects are in use and some are under construction. Thousands of students have been trained at the Nanjing Training Center for Builders, the Shanghai Electronic Training Center and the educational center of the No. 2 Automobile Factory.

The co-operation between China and Federal Germany has been highly successful.

For example, students who graduated from a vocational training center set up by Hanns-Seidel Fund and the No. 2 Automobile Factory can, after three months work, do their jobs as well as ordinary workers.

Last year, a group of graduates from the center won first prize in a national lathe-operating competition.

An official from the State Education Commission said that this year the commission has decided to set up several experimental sites in Shenyang, Wuxi, Changzhou, Shashi and Wuhu Cities with the aim of extensively reforming the educational system. The experiments, vainly aimed at improving vocational education, will involve 10 enterprises and 15 schools in these places.

An official in charge of Chinese vocational education said that to develop its professional education China has set up 10,000 vocational schools of middle-level, with 800 different specialties. Students number 5.5 million.

At the same time, 710,000 people were trained at 1,800 work training centers last year.

But, the official said, this kind of education in China is mainly undertaken by schools, which cannot meet the needs of China's modernization.

### **Turkish Joint Economic Commission Signs Accord**

*OW2110214789 Beijing XINHUA in English  
0057 GMT 21 Oct 89*

[Text] Ankara, October 20 (XINHUA)—China and Turkey signed here today a trade agreement at the end of the two-day 7th Session of the Sino-Turkish Joint Economic Commission.

The agreement was signed by Lu Xuejian, Chinese vice minister of foreign economic relations and trade and Turkish officials from the concerned department.

Under the agreement, China and Turkey will try to work for an annual trade volume of 300 million U.S. dollars.

China will export to Turkey 500,000 to 1 million tons of crude oil and 200,000 to 300,000 tons of coal, while importing from it 200,000 tons of iron and steel products and 150,000 tons of fertilizers.

The two countries hoped to encourage bilateral business activities, including the exchanges of trade fairs and exhibitions.

During the session, the two sides studied possibilities of cooperation in the fields of agriculture machinery and the construction of dams and hydro-power plants.

The two countries also agreed to continue providing necessary facilities of seismology and seismic disaster prevention technology.

### **Commodities Exhibition Opens in Denmark**

*OW2110233289 Beijing XINHUA in English  
0646 GMT 21 Oct 89*

[Text] Stockholm, October 20 (XINHUA)—China's commodities exhibition opened yesterday in Copenhagen of Denmark.

Chinese Ambassador to Denmark Zhang Longhai and vice-mayor of Copenhagen cut the ribbon for the opening.

The 10-day exhibition, participated by 19 Chinese firms and two China-Denmark joint companies with more than 200,000 items, takes "Silk Road Leading to Denmark" as its theme.

It is the largest exhibition since China and Denmark established diplomatic relations in 1950.



## Political & Social

### Reportage on Upcoming Fifth Plenary Session

#### Plenum Reportedly Postponed

HK2110062189 Hong Kong MING PAO in Chinese  
21 Oct 89 p 2

["Special Feature": "Views of Deng and Yang Differ on Who Should Control the Military Commission; It Is Reported That the 5th Plenary Session Will Be Held Next Month"]

[Text] According to a report from Beijing, the 5th Plenary Session of the 13th CPC Central Committee, which was originally scheduled for early October, has been postponed, but analysts generally hold that no matter how the party top leaders mediate between themselves, the plenum will be held not later than next month.

According to reliable sources, the personnel changes in the Central Military Commission constituted the main cause of the postponement of the fifth plenum. It was learned that Deng Xiaoping again and again expressed his determination to retire from office and intention to pass the chairmanship of the Central Military Commission to Jiang Zemin. However, Yang Shangkun tried hard to take over the military power and is supported by some of the top brass.

It is said that Deng proposed that he and Yang Shangkun both retire from the Central Military Commission and that Jiang Zemin be chairman of the military commission and Qin Jiwei, Yu Quili, and Yang Baibing be vice chairmen. However, Yang Shangkun did not agree with this scheme. According to his own scheme, he himself will be chairman of the military commission, and Jiang Zemin, Yang Baibing, and Liu Huaqing will be vice chairmen. At present, there is a stalemate between the two sides.

Reportedly, the June 4th Incident seriously thwarted Deng Xiaoping's confidence in carrying out reforms in China, and the development of the international and domestic situation after the June 4 Incident became far from what he originally envisaged. This made Deng firmer in deciding to retire from office. The chairmanship of the Central Military Commission is the last card left in his hands, so he hopes that his retirement will prevent other old guards in the party from interfering in the political process and that the military power will be handed to some younger generals. It was learned that marshals and old generals in the military are quite discontented with Yang Shangkun, but Yang is supported by the hardliners in the party leadership and has considerable weight in influencing the situation. If the stalemate cannot be solved and neither side is willing to make a concession, it is likely that Deng's retirement plan will be again shelved. No matter how things develop, the 5th Plenary Session of the 13th CPC Central Committee will be held not later than next month.

Reportedly, economic issues will be the main subject of the fifth plenum, and an economic development plan for the coming few years will be adopted by the plenum with the guideline remaining improvement and rectification. In the period of rectification, priority will be given to the invigoration of large and medium-sized enterprises and the adjustment of the developmental orientation of the national economy. Stress will be laid on state enterprises, which will be taken as the main force in the development of the national economy. The state will not continue to support and advocate the development of the private economy. The scale of capital construction will continue to be cut down, prices will be further stabilized, and the financial retrenchment policy will also continue.

In addition, the fifth plenum will make a decision on handling Zhao Ziyang's case. At present, there are different opinions on how to deal with Zhao Ziyang. The main opinions include: 1) the Central Committee adopts a resolution on expelling Zhao from the party permanently, and criticism is organized to eliminate his residual influence and his sworn followers; 2) after the resolution is adopted, a special tribunal will openly try Zhao and his sworn followers (such as Bao Tong); and 3) a resolution will be adopted without expelling Zhao from the party, but his mistakes will be deeply criticized. It was learned that Yang Shangkun, Li Peng, Wang Zhen, Li Ximing, and Chen Xitong hold the second opinion.

No matter how Zhao Ziyang is treated, it is certain that after the fifth plenum, the hardliners in the CPC will take the opportunity to purge Zhao's confidants and sympathizers in order to thorough remove hidden perils.

According to reliable sources, Yan Mingfu, director of the CPC Central United Front Work Department, has recently been suspended from active duty. No final judgment has been made on the nature of his mistakes, but it is certain that he will not be a leader of the department. At present, the CPC Central United Front Work Department is directed by Deputy Director Wu Lianyan. The party top leadership planned to appoint Wan Shaofen, a female deputy director, to head the United Front Work Department.

Observers hold that the several interest groups in the CPC top leadership are fiercely struggling against each other over the above-mentioned issues, which are the focus of their contradictions. Some personnel changes will certainly be made at the fifth plenum, but there will still be a balanced leading body as the result of the compromise, and the leading body will still be under Deng's control.

#### Central Planning To Increase

HK2310015589 Hong Kong SOUTH CHINA  
MORNING POST in English 23 Oct 89 p 13

[By Willy Wo-lap Lam]

[Text] The fifth plenum of the Central Committee will approve measures to reinforce central planning and to boost the powers of central government authorities, Chinese sources say.

The State Planning Commission (SPC) has completed a draft of the Resolution on Curing and Restructuring the Economy, which will be passed when the plenum meets early next month.

The resolution will lay down the guidelines for Beijing's efforts to cool down and restructure the economy in the coming three years.

According to the sources, the SPC draft recommends that central government authorities take back major powers which have been delegated to local administrations and enterprises in the past few years.

The most important of these powers include: approval of investments and new projects; the management of foreign exchange; borrowing from and doing business with foreign countries and corporations; the distribution and pricing of major raw materials and energy products.

At the same time, the powers of "control departments" including the SPC, the People's Bank of China (PBOC), the Ministry of Finance, Materials Ministry, and the Ministry of Foreign Economic Relations and Trade (MOFERT) will be increased. The State Economic Commission (SEC), abolished by ousted party chief Zhao Ziyang in 1988, will be reinstated.

In future the SPC and SEC will lay down detailed production and earnings targets which individual companies must observe.

MOFERT and its subsidiaries will handle the exports and other foreign business dealings of localities and enterprises. The PBOC will keep a tight rein on credit and the Finance Ministry will be given extra authority to collect taxes.

Local governments will be the biggest losers in the austerity program. Under the tenure of Mr Zhao, local administrations had the power to approve capital construction projects of up to a certain magnitude. They could also ask local PBOC branches and other banks to grant loans to new projects.

Now, these powers have been taken back by the SPC, the SEC and PBOC headquarters.

The central government is determined to increase its share of national tax revenue from a little less than 50 percent at present to more than 60 percent. To achieve this, Beijing is considering taking over several kinds of taxes now earmarked for local governments, which will no longer have the power to diminish the taxes for certain types of preferred businesses.

According to a report in the new issue of the business weekly ECONOMIC REPORTER, the enterprise

responsibility system, a key legacy of the Zhao Ziyang era, will not be axed in the near future.

Under the responsibility system, an enterprise is allowed to pursue its own production strategy and to decide what to do with its earnings after having fulfilled production and tax targets previously agreed upon with the state.

However, the fifth plenum will recommend that the state re-negotiates contracts with profitable enterprises with a view to upwardly revising their tax rates and limiting the salary and bonus levels of management and staff.

At the same time, the plenum will specify that Communist Party organisations remain the "core" of enterprises. Although the managerial responsibility system will on the surface remain intact, party secretaries in business units will take back powers including the appointment of cadres.

The fifth plenum will recommend that local governments and enterprises rely more on "ideological and political work" and "spiritual motivation" to boost the productivity of workers.

The Central Committee will also spell out plans for constricting the private sector, including township and individual enterprises. Nonstate-run business units will be subjected to "screening and supervision", including strict collection of taxes. The goal is to lower the growth rate of the private sector from more than 30 percent in the past five years to under 10 percent.

At the same time, the close to 5,000 large and medium-sized state enterprises will have priority access to loans, raw materials, energy and transportation.

The plenum will recommend that selected cities and "pioneer" business units continue to experiment with such "before-the-times" reform measures as joint stock companies, stock exchanges, commodity housing, and various kinds of social insurance.

However, say Chinese sources, the Central Committee will insist that such experiments be "conducted within strictly delineated perimeters," and that even if they turn out to be successful, "the experiments will not be introduced on a national basis".

To reassure international investors, the Central Committee will second a "regional sliding policy" in favour of such provinces as Guangdong, Fujian, and Hainan and the four special economic zones.

For example, new measures such as stock exchanges and the long-term "leasing" of industrial land to foreign corporations will be encouraged in order to attract foreign investment.

The Resolution on Curing and Restructuring the Economy will also lay down specific goals for the economy to achieve by the end of 1991.

They will include cutting down inflation to close to five percent and balancing the budget.

A "production strategy" specifying types of industry on which China will concentrate its resources in the coming three years or more will be announced.

Chinese sources say that the SPC will lay emphasis on sectors including energy, transport, raw materials and agrarian producer goods such as fertiliser and agricultural medicine.

### Agenda Previewed

*HK2110031989 Hong Kong KUANG CHIAO CHING in Chinese No 205, 16 Oct 89 pp 6-9*

[Article by Hsieh Kuo-chu (564) 0948 7467: "Difficult Questions Facing the 'Fifth Plenary Session' of the CPC"]

[Text]

### Plenary Sessions of the CPC Central Committee Are To Be Convened Twice Within 4 Months

Shortly after the 4th Plenary Session of the 13th Central Committee was held at the end of June, the Central Committee decided to convene its fifth plenary session in October. In less than a 4-month span, the Central Committee is to convene plenary sessions twice. This is a rare occurrence in CPC history, and indicates that many important issues are awaiting settlement through consultation among the top echelons. The 4th Plenary Session of the 13th Central Committee sought a solution to the question of the reshuffling the party's supreme echelon; a new body of the Central Political Bureau with Jiang Zemin as the core, took shape. The fifth plenary session that is to take place will seek a solution to difficult economic problems and the issue of improvement and rectification.

The fifth plenary session to be held in October and the Central Work Conference, which serves as a preparation for the said session, will study and seek a solution to the economic problems facing China today, aside from resolving the rectification and building of party organizations. There are differing views within the CPC regarding economic problems. Therefore, the CPC Central Committee has to urgently convene a fifth plenary session to unify the ideological understanding of the whole party regarding economic problems.

What are the major economic problems that the CPC must study and seek a solution to? On the whole, there are problems in the following categories: First, the economic situation, second, the relationship between central planning and the market, third, the relationship between state-run enterprises, collective enterprises and enterprises in the private sector, and fourth, the strategy for near-term economic development.

### Is the Economic Situation Good or Bad?

Controversial views on economic issues are primarily embodied in the judgment of the economic situation. One view considers that China's present economic situation is basically sound. Those holding this view believe that reform should be continued, and a faster speed of construction implemented. Another view holds that China's present economic situation is rather severe, that improvement and rectification to eliminate the crisis should be foremost, moreover, the speed of reform and construction should be slowed.

Those who consider that the economic situation is fine, base their belief on the facts that the turmoil has been pacified, the situation is under control, a new body of collective leadership in the Central Political Bureau has been set up in the wake of the "June 4th" incident, operations in various domains are back to normal, prices are steady and even falling somewhat with the gradual implementation of economic measures for improvement and rectification, overheated consumption is beginning to cool off, and various provinces have taken effective actions to crack down on corruption with good results. Besides, foreign businessmen from various parts of the world have returned to Beijing one after another, the number of tourists coming to China has picked up, and Japan has begun to grant loans again. As for agriculture, people were worried that natural calamities including storms and pests during the summer would affect the harvest. Later, statistics showed that a bumper harvest was reaped in edible oil and grain crops, and the gross output of summer grain with wheat in the main increased by 2.5 billion kg from 1988, a record high; while the output of rapeseed increased by 20 percent from 1988. In short, China's economy is on the upturn, and displays nothing like the great confusion previously foreseen.

However, those who consider China's economic situation to be rather severe believe that the rosy scenes painted above are but a superficial phenomena, and people have no reason to indulge themselves in blind optimism. At the Ninth Session of the Seventh National People's Congress (NPC) Standing Committee convened between late August and early September 1989, some of the standing committee members proposed augmenting education in the situation so that all people in China, particularly cadres at and above county levels, might understand the severity of the situation.

### The Supply-Demand Contradiction Remains Rather Conspicuous

Vice Premier Yao Yilin who is in charge of the economy believes that the difficulties facing China remain great. They are embodied first, in a rather conspicuous gap between general social demand and general social supply, and second, the structural contradiction has not been relaxed but aggravated in some aspects. Although the CPC adopted many measures to cut back investments in 1989, the effects are not as successful as



expected; the momentum of increasing consumption demand remains unchecked, and the wage income of workers and staff members continues to exceed the increase in labor productivity. In the eyes of the CPC, the phenomena of arbitrarily distributing bonuses, and subsidies in cash and in kind, are still serious. Yao Yilin believes that the structural contradiction has not been relaxed, chiefly finding expression in the weak groundwork for agricultural production; agriculture still fails to match industry, which is serious.

#### **Great Strains on Central Finance Funds**

The severe economic situation is also reflected in financial problems. Wang Binqian, state councillor, and concurrently minister of finance believes that the present financial situation is severe, with tremendous difficulties. Between January and July 1989, the increase range of spending remained high, exceeding the required 9 percent increase in the national budget. At present, state finance still has great difficulties in the procurement and allocation of funds, there is an especially great strain on central finance. In 1990 particularly, China will enter the peak of repaying principal and interest on domestic and foreign loans, and the days will be more difficult. To tide over the hard times, Wang Binqian has proposed firmly implementing austerity in finance and determining to tighten belts in the next few years.

#### **How Should the Planning-Market Relationship Be Handled?**

The CPC authorities explicitly proposed setting up a new structure of planned commodity economy 2 years ago. However, grave inflation surfaced, and some people in the CPC's top echelon became doubtful of this new structure. At that time, some theorists believed that China's reform must rely on a complete market-oriented economy. State Council Premier Li Peng recently criticized the above view, holding that China should implement the principle of combining planned economy with market-oriented economy. In addition, he said that laying too much stress on a market-oriented economy will not do in China; with so many categories of commodities in short supply, the implementation of a complete market-oriented economy will only lead to price rocketing and an unstable economy.

To guarantee the fulfillment of the national plan next year (1990,) relevant departments have proposed that important materials and equipment under government control should not be cut back any further. However, the central authorities have not arrived at unanimity regarding how to implement the new economic structure with planning as the key. This is one of the major issue to be discussed at the Central Work Conference, or at the fifth plenary session.

#### **Has Importance Been Attached to the Backbone Role of State-Run Enterprises?**

Many people in the CPC top echelon believe that a great mistake in reform was the neglect of the backbone role of

large and medium-type state-run enterprises. Hence, the development of state-run enterprises was impeded. Take financial revenue for example, briefings show that 75 percent of China's national financial revenue was derived from state-run enterprises. But in the 10 years between 1978 and 1988, sale profit rate and sale tax and profit rates have dropped by 800 percentage points, and each percentage point drop meant a cutback of 8 billion yuan in financial revenue. In the first 6 months of 1989, budgetary profits of state-run enterprises dropped by 12.1 percent over the same period in the previous year. Those provinces and municipalities involved in the cutback included Shanghai, Tianjin, Liaoning, Jiangsu, and Hubei, and 11 out of 24 productions under the direct control of the central authorities suffered cutbacks in their profits. This explains that the role of state-run enterprises have been continuously weakened.

On the other hand, township and town enterprises and privately owned enterprises have developed too fast in China. These enterprises contended with state-run enterprises for funds and raw materials, but their productivity was low, with insignificant contributions to the state. Take the privately owned enterprises for example, they number approximately 14.5 million nationwide, but some 70 percent or 80 percent of them have committed tax evasion. Although a sum of 6.2 billion yuan of individual operation tax was collected between January and July 1989, up by 39 percent over the same period last year, tax evasion among individual households remained grave, as disclosed by the General Taxation Department director, Jin Xin, toward the end of August this year.

In mid-August the CPC General Secretary, Jiang Zemin, stressed that it is imperative to do a good job and to reinvigorate state-run large and medium-type enterprises if China wanted its economy to improve. He proposed the need of state support and tapping the enterprise's potentials to achieve this. However, starting from their partial interests, some localities have placed the development of privately-owned enterprises and township and town enterprises on top of state-run enterprises, hurting national interests. Should such practice continue, the national economy will suffer. Therefore, how to give play to the backbone role of state-run enterprises will be an important economic issue facing the CPC Central Committee.

#### **Formulating the Near-Term Strategy for Economic Development**

In the wake of "the June 4th" incident, the Chinese authorities reaffirmed that its policy of reform and opening up to the outside world would remain unchanged. However, how to readjust the strategic goal of economic development is a major issue in the economy. China's financial difficulties have been aggravated because of limited financial resources, in addition to a downturn in foreign trade and exports, and a cutback in foreign loans, with an imbalance in foreign exchange. Therefore, there must be some discrimination

regarding the development of various localities and trades in order of importance and urgency. Synchronous development is impossible. Hence, there is a need to study the near, medium, and long-term strategy for economic development, so that the limited funds might be spent where they are needed most. It was learned that unanimity regarding this issue has not been reached at the top echelon. Therefore, the Central Committee has ordered the State Commission for Planning to draw up a plan for the strategy for economic development and the target of the 3-year improvement and rectification, to further make explicit the near-term target of economic strategy as a preparation for the 5th Plenary Session of the 13th Central Committee.

China's economic problems are not confined to the above, but to find a solution to them involves arduous tasks, by no means can they be resolved overnight. The "prescription" of the CPC for curing China's economy with gradual marked effects in the wake of the 5th Plenary Session of the 13th Central Committee will be the key to observing the CPC's future political situation.

#### Yuan Mu Writes for XUEXI on Turmoil

OW2010194689 Beijing XINHUA Domestic Service  
in Chinese 1326 GMT 20 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 20 Oct (XINHUA)—The newly published No 10 issue of XUEXI journal carries a lengthy article by Yuan Mu, entitled "Reflecting Upon the Turmoil and Rebellion."

The article says: In observing China's current situation, it is impossible to put aside views concerning the turmoils and counterrevolutionary rebellion that occurred a few months ago. Despite the decisive victory we have already won in stopping turmoil and quelling the rebellion, is there a danger for new turmoil in China? I would like to state the following two points: First, with the turmoil being stopped and rebellion quelled, the development of the national situation over the past few months has generally been improved. Of course, it is not an excellent situation, but at least it is better than before. Second, will the very small number of diehard advocates of bourgeois liberalization, political schemers, turmoil and riot organizers, leaders and instigators, and ruthless ruffians be content with their defeat and will they relent? I don't think so.

The article points out: Comrades inside our party and all patriotic citizens, party member-cadres in particular, must be ideologically prepared against new turmoils. To prevent new turmoil and consolidate and expand the victorious fruits of the struggle to put down rebellion so that the People's Liberation Army [PLA] martyrs did not shed their blood in vain, it is of utmost importance to reflect correctly upon the recent turmoils and rebellion and draw a penetrating lesson from them. Upon what should we reflect? I would like to provide comrades with the following food for thought:

1. It is necessary, under the premise of correctly assessing the current overall international situation and structure, to fully recognize that the international monopoly bourgeoisie are bent on subjugating our country.

2. While upholding the central task of economic construction, we should properly understand that class struggle still exists within a certain scope in China. This is a question we have seldom, if ever, discussed recently.

3. We should be fully aware of the long-term existence in China of antagonism between the four cardinal principles and bourgeois liberalization. Comrade Deng Xiaoping all along has stressed the importance of upholding the four cardinal principles and opposing bourgeois liberalization almost every year for many years, sometimes several times a year. However, there were people, mainly the two former general secretaries of the party, who turned a deaf ear to and failed to conscientiously implement the four cardinal principles. The recent turmoils and rebellion have incurred losses to us as well as strengthened our awareness.

On the question of opposing bourgeois liberalization, we should pay attention to the following three points: First, we should guard against the previous practice of whipping up a gust of wind. Second, we should earnestly prevent oversimplification and broadening the scope of struggle. Third, under no circumstances should we, either knowingly or unknowingly, regard the vast number of intellectuals as the target of the struggle against liberalization. Instead, we should concentrate the efforts on guiding intellectuals to fully recognize that the struggle against liberalization concerns the vital interests of the Chinese people of all nationalities, including intellectuals, and the future destiny of the country and people, thereby enabling them earnestly and actively to take part in the struggle against bourgeois liberalization.

4. It is necessary to draw a clear line of demarcation between the two different kinds of thinking on reform and opening to the outside world. This is an important matter concerning the future of our reform and opening to the outside world. A review of the decade-long reform and openness shows that there indeed exist two diametrically opposed ways of thinking on reform and openness in practice. One of them is thinking of the party Central Committee, which Comrade Deng Xiaoping, the chief architect of our reform and openness, has advocated all along: that is, the thinking of upholding the socialist road, the people's democratic dictatorship, the Communist Party's leadership, and Marxism-Leninism-Mao Zedong Thought. This is the thinking for self-perfection, self-improvement, and self-development of the socialist system, which our party has often stressed. This is the reform and openness which our party has consistently stood for and carried out. The other is the thinking of those diehard advocates of bourgeois liberalization and total Westernization in China. Such people exist both inside and outside the party. The reform and openness

advocated by them is actually capitalism, and it is divorced from and diametrically opposed to the four cardinal principles.

5. We should thoroughly recognize the serious economic problems facing our country today by further enhancing the determination and conviction in the economic retrenchment drive and striving to bring about a sustained, steady, and harmonious development of the national economy. This is the foundation for political and social stability.

6. We should be fully aware of the seriousness of our party's alienation from the masses, a question that merits keen attention. In a certain sense, we should revive, develop, or even rebuild the close relationship between the party and the masses.

7. Firm and effective measures must be taken to solve the two serious problems of corruption in some party and government organizations and unfair distribution of income in certain sectors of society. We should take an clear-cut stand on the anticorruption issue.

8. Our party should also hold high the banner of democracy, strengthening the construction of socialist democracy and integrating it with the socialist legal system. At the same time, it is necessary to point out unequivocally that the construction of socialist democracy in China must be carried out under the party's leadership, and that under no circumstance should "political pluralism" and the multi-party system be practiced.

9. We should wholeheartedly rely on the working class, consolidate the alliance between workers and peasants, and strengthen the grand unity among the Chinese people of all nationalities.

In conclusion, the article emphasizes: All in all, the ultimate goal is to build the CPC into a party which can hold the broad masses of people firmly together and appeal to them in a genuine sense, can unite all people that can be united, and can become a strong core in leading the Chinese revolution and construction. When this goal is realized, our party will have hopes. All our achievements in the past decade have been scored under the party's leadership and with the concerted efforts of the people. Our party will certainly live up to the expectations of the people, and shoulder and try its utmost to fulfill triumphantly its historical mission.

#### **Leadership's Secret Underground Railway Described**

HK2310020689 Hong Kong SOUTH CHINA  
MORNING POST in English 23 Oct 89 pp 1, 12

[By Nigel Rosser in London]

[Text] A former Chinese civil servant, who claims to be hiding in Hong Kong after fleeing the mainland, has told a British television crew that not only is there a secret railway running beneath Beijing, but he has travelled on it.

He said the system was built over a period of about 40 years, to enable senior leaders to escape from the Great Hall of the People to an army base hollowed out of a mountain to the west of Beijing in the event of civil unrest or invasion.

The former civil servant was interviewed by Britain's Granada TV's World in Action from an undisclosed Causeway Bay address.

He claimed top leader Deng Xiaoping and senior members of his inner circle had ordered the route to be built to enable the government to flee to Xi Shan mountain.

He revealed that the mountain base was equipped with hospitals, ammunition dumps and communications systems.

The line begins at Chegongzhuang and has stations at the government compound at Zhongnanhai and under the Great Hall of the People.

From here it runs south to rejoin the public system at Qiamen and east as far as Pingguoyuan, where another secret network takes the train to the military base.

The civil servant also claimed there was another secret line linking the Bank of China to station 12 of the public system.

This is intended to transport China's gold bullion reserves from the capital in case of invasion.

He claimed that Chinese troops who suddenly emerged from the Great Hall of the People station to smash the student rebellion in June had been using the underground system.

Granada television secured the interview as part of its documentary The Terror After Tiananmen, which includes rare footage taken inside China since the rebellion.

TVB [Television Broadcasts Ltd.] has already bought the Hong Kong rights to the controversial film, which shows interviews with dissidents who have fled underground, as well as clandestine shots of police and military activity in China's capital.

In a series of astonishing interviews, filmed with hidden cameras, people inside China reveal the full extent of the government's crack-down on the population.

Claims are made that since the imposition of martial law thousands have been killed in police raids and executions.

Students travelling to Fujian and Hubei to spread the news of the massacre have been unceremoniously killed by local police, some people claim.

One family was said to have been offered pounds sterling 4,000 (HK\$50,000) and access to a new apartment, modern appliances and cheap televisions to keep silent after their son was killed by mistake by the secret police.



Students have been particularly hard hit, the program claims.

They had been encouraged to report each other to the authorities and classes have been decimated by the police's crackdown.

One student tells how six of his classmates have disappeared since the massacre. Only one he thinks has escaped to freedom.

Other students have succumbed to mental illness under the pressure brought to bear on them; these, the young man claims, are simply tied to a bed and injected with tranquillisers to keep them quiet.

Students have also been asked to give daily accounts of their movements between April 15 and June 4—corroborated by another person—and write "self-revealing" essays, and statements saying what they think of democracy.

As one interviewee concludes: "Why should we be afraid of death. If we are not afraid to be alive, why should we be afraid of death?"

The world premiere of *The Terror After Tiananmen*, will be shown in Britain by Granada tonight.

#### **Li Ruihuan Emphasizes Ideological, Political Work**

OW2210063289 Beijing XINHUA Domestic Service  
in Chinese 1401 GMT 21 Oct 89

[By reporter Xu Yaozhong (1776 5069 0022): "Local Broadcast News Service"]

[Text] Beijing, 21 Oct (XINHUA)—Li Ruihuan, Standing Committee member of the Political Bureau of the CPC Central Committee, stressed today: To strengthen ideological and political work is an important task and a basic measure for criticizing bourgeois liberalization and advocating the four cardinal principles. It is a traditional superior feature of our party. It may also be regarded as a fundamental point distinguishing the socialist system from any other social system. We must persistently and continuously carry out such work.

Li Ruihuan made this remark at Zhongnanhai when he met with the deputies attending the national conference on political work in geological and mining departments. Other leading comrades present were Ding Guangen, Wen Jiabao and Zou Jiahua.

Li Ruihuan said: Whether or not we should strengthen ideological and political work is a major question we have debated with Comrade Zhao Ziyang for a long time. We believe that in a country like ours, we cannot achieve our final strategic goal if we ignore ideological and political work and only rely on material benefits. Naturally, in doing ideological and political work, there is a question of how to carry out such work and a question of the form and methods suitable for doing such work in all fields. However, we can only gradually

improve and explore our methods in the course of unswervingly carrying out ideological and political work.

#### **'Large-Scale Purge' of Party Members Planned**

HK2310053189 Hong Kong MING PAO in Chinese  
23 Oct 89 p 2

[“Special” article: “General Purge To Take Place After the Fifth Plenary Session; Eight Categories of Party Members Will Not Be Reregistered”]

[Text] Well-informed Beijing sources reveal that the CPC will soon start a large-scale purge. Up to 10,000 people will be expelled from the party. The aim of this purge is to remove obstacles to the new Chinese communist leading group taking over. The hardliners within the CPC have taken advantage of the extremely good opportunity offered by the democracy movement resulting from the student movement.

In the said purge, the method of subjecting party members to renewed registration will be used. This means that the first step will involve the study of various documents, including articles by Deng Xiaoping and Jiang Zemin and RENMIN RIBAO editorials. The second step will call for a personal summation of things, or a self-reassessment, and the completion of party membership registration forms. Among the chief things to be summed up by an individual are ideological awareness and actual behavior during the recent movement (the democratic movement in May). The third step will involve the calling of party group or party branch meetings to make democratic assessments. Appropriate means will be used to listen to the opinions of nonparty members. A party branch general meeting will discuss and decide on every party member's qualification for registration. The fourth step will involve examination and approval by higher-level party organizations. Concerning those people denied registration, the higher-level party committee will send someone to talk with them.

Seemingly democratic means will be used. But well-informed sources from Beijing consider that due to relatively great opposition from basic-level organizations, party members' fates will have already been determined by public security, national security, discipline inspection, and other departments.

It was learned that a recent document distributed among all party members by the Chinese communists specifies requirements for registration. Those falling into the following categories will be denied registration:

1. People who advocate the idea of liberalization and oppose the four cardinal principles and who refuse to correct their mistakes;
2. People who in an internal investigation fall short of requirements for party membership;
3. People who resist the central guideline of stopping turmoil and quelling the counterrevolutionary riot and who refuse to change their attitude after being subjected to education.

4. People who have been shaken in their faith in communism and who have lost confidence in the party.
5. People who suggested renunciation of party membership during the movement.
6. People who abuse power to serve private ends, are seriously affected by bureaucratism, impair the state's collective interests, and resort to other corrupt practices and who have been disqualified as party members, though not officially expelled from the party.
7. People who have, for more than 6 consecutive months, not participated in organizational activities, or not paid party membership fees, or not done party work without proper reason.
8. People who have not applied for registration within a specified period of time.

Sources close to the General Office of the CPC Central Committee said that the scope for renewed registration this time will chiefly cover:

1) Party members of organs at central, provincial, and autonomous regional levels and at the level of municipalities directly under the central government. Involved will be various work departments of the CPC Central Committee and institutions directly under them; organs of the Central Advisory Commission and Discipline Inspection Commission and various departments of the State Council, and enterprises and institutions under them; the leadership organs of the National People's Congress, the Chinese People's Political Consultative Conference, the Supreme People's Procuratorate, the Supreme People's Court, the All-China Federation of Trade Unions, the Communist Youth League of China, the All-China Women's Federation, the China Federation of Literary and Art Circles, the Chinese Writers' Association, the China Association for Science and Technology, the Chinese Reporters' Association, the All-China Federation of Taiwan Compatriots, the All-China Federation of Returned Overseas Chinese, and other mass organizations; news, publishing, scientific research, and literature and art groups; and units directly under the various above-mentioned departments. 2) Party members of organs and colleges and institutes of higher learning of large and medium-sized cities considered by important provincial, regional, and municipal party leaders to have been involved in turmoil. 3) Party members of units in large and medium-sized turmoil-affected cities considered by the municipal or city party committees to be necessarily involved in the business of investigation and rectification. As the riot took place in Beijing, the scope for Beijing Municipality will be again determined by the Beijing municipal party committee.

The same sources also said that the purge activities originally scheduled to start at the end of October may be postponed because of the Fifth Session of the CPC Central Committee. Party members of many units, including central organs, have taken an attitude of being passive or uncooperative. This may also be connected with the postponement.

It is learned that in a recent speech, Jiang Zemin put forward a noteworthy viewpoint. Jiang said that there actually exists a relationship of exploitation between the owners and workers of private enterprises. Therefore, the owners of private enterprises (such as individual operators) hereafter cannot join the party. Those who have obtained party membership must be strictly investigated, with a number of them being expelled.

Observers consider that this speech also marks a retrogression in China's reform and openness, with the owners and workers of private enterprises being set in opposition. This has been put forward for the first time in Chinese communist documents. Generally speaking, these people are the sector that Deng Xiaoping 10 years ago wanted to get rich first.

Authoritative sources predict that the purge will be launched in an overall manner after the Fifth Plenary Session of the CPC Central Committee. There will then be whipped up an upsurge in the criticism of Zhao.

What is strange is that many party members here have taken a devil-may-care attitude toward this. Some people even consider it an honor if they happen to be purged. Most targets of the purge say that they would wait for an opportunity to have their verdicts reversed. Dismissal will become a pawn or a gain in their lives in the future.

#### RENMIN RIBAO on Jiang Zemin Speech

HK2110013989 Beijing RENMIN RIBAO in Chinese  
21 Oct 89 p 1

[Editorial: "The Important Thing Is To Unify Thinking"]

[Text] At present, comrades of the whole party, especially the leading party and government cadres at all levels, are earnestly studying Comrade Jiang Zemin's National Day speech. This important speech delivered by Comrade Jiang Zemin on behalf of the CPC Central Committee and State Council was not an ordinary festival speech, but the political manifesto of China's third-generation leadership collective and the action program for guiding the whole party and the people of the whole country to build socialism with Chinese characteristics. It gave an extremely profound exposition on Comrade Deng Xiaoping's series of important speeches delivered during the past spring and summer. It is a very good Marxist document. The whole party should repeatedly study, profoundly appreciate, and resolutely implement this speech.

In June this year, not long after winning decisive victory in halting turmoil and quelling counterrevolutionary rebellion, our party convened the 4th Plenary Session of the 13th CPC Central Committee. The plenary session focused on resolving the most urgent issue at that time, that of rebuilding the leadership core of the CPC Central Committee, and on answering the question of greatest concern to people at that time, that of whether the party's major guiding principles would be changed. The plenary session successfully fulfilled its predicted tasks.

The National Day speech delivered by Comrade Jiang Zemin 3 months later concentrated the collective wisdom of the comrades inside and outside the party and gave a scientific summation from a new historical plane on experiences encountered since the state was founded 40 years ago, since reform and opening up was launched 10 years ago, and on the lessons of the 2-month turmoil and counterrevolutionary rebellion. It arrived at 4 basic conclusions and expounded on 10 important issues. This speech had very strong theoretical sense and also a very strong sense of guidance and practice. It was a model of "coolly reflecting on the past and considering the future." By earnestly studying Comrade Jiang Zemin's National Day speech, our thinking will be greatly enhanced still further on the basis of studying the spirit of the 4th Plenary Session of the 13th CPC Central Committee, our vision will be broadened even more, our orientation will be even more explicit, and our confidence will be even firmer.

The most important thing in studying the speech is to truly bring our understanding into line with the basic conclusions and major viewpoints of the speech. If we fail to do this and instead are content with an ordinary expression of attitude or informal discussion, or else indulge in unrealistic exaggeration, our study will be a superficial affair, and we will be unable to attain our predicted goal. We have learned profound lessons in this respect in the past 10 years. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has formulated and approved many good documents and reports. Some comrades have studied and supported these documents and reports but have not truly brought their thinking into line with their spirit. The "Resolution on a Number of Questions in the History of the Party Since the Founding of the State" adopted by the 6th Plenary Session of the 11th CPC Central Committee in 1981 is a good document, explicitly pointing out: "The four cardinal principles are the common political foundation for the unity of the whole party and the unity of people of all nationalities, and are also the fundamental guarantee for the smooth progress of the cause of socialist modernization. All words and acts that deviate from the four cardinal principles are wrong, and words and acts that negate or undermine the four cardinal principles will not be tolerated." However, the understanding of certain comrades was by no means brought into line with the spirit of the "Resolution." The "Resolution on the Guiding Principles for Building Socialist Spiritual Civilization" adopted by the 6th Plenary Session of the 12th CPC Central Committee in 1986 was also a good document, which explicitly pointed out: "Pursuing bourgeois liberalization, that is, negating the socialist system and advocating the capitalist system, runs fundamentally counter to the interests of the people and the tide of history, and is resolutely opposed by the people." The understanding of certain comrades was not truly brought into line with the spirit of this "Resolution." A similar situation occurred regarding the "one focus and two basic points" proposed by the 13th National Party Congress, especially over the basic point of upholding the four

cardinal principles. This is a major reason why certain comrades came under the influence of the mentality of bourgeois liberalization, and why their stand was unsteady and they made mistakes during the turmoil and counterrevolutionary rebellion. This lesson from negative example must be always remembered.

In recent years certain comrades have not wanted to raise the issue of unifying thinking and understanding. They often base their position on the party constitution, saying that, according to its provisions, "If there are differing views regarding the party's resolutions and policies, party members may, under the premise of implementing them, announce that they are reserving opinion, and can also raise their own views to the upper-level party organizations at all levels, right up to the Central Committee." Frankly, this is quite right. However, these people have forgotten that the party constitution also explicitly stipulates that the party must resolutely attain a high degree of ideological and political unity, and that upholding the four cardinal principles is the political basis for the unity and solidarity of the whole party. If on these major questions of principle and major issues of right and wrong people do not truly resolve the problems ideologically, eliminate incorrect views out of step with the party's resolutions, and establish the viewpoint of a high degree of unity with the party resolutions, then it is uncertain whether they will be able to consistently maintain unity with the party in action; and the moment the climate becomes favorable and there is a sudden change in the situation, lack of ideological unity may lead to lack of political unity. Is not this point proved by the fact that certain party-member comrades made mistakes during the turmoil and counterrevolutionary rebellion? Party organizations should allow party members the right to reserve their opinions, and also effectively protect this right; and, for his part, a party member with a high degree of awareness who has joined the organization should spontaneously demand that he maintain a high degree of unity with the CPC Central Committee on major issues of political principle, and bring his understanding into line with the party's line, principles, and policies. If he stresses reserving different views from the party on questions of major political principle, he can hardly be described as a qualified party member.

The 4 basic conclusions and 10 major issues expounded on by Comrade Jiang Zemin in his speech are all major questions of principle and questions on which we must unify understanding. They are convincing conclusions reached by applying the concept and method of dialectical and historical materialism to analyze history and the present materialistically, dialectically, and comprehensively, and sum up both positive and negative experiences. The speech dwelled on the good policies and experiences that we have upheld over the past 10 years and must continue to uphold in the future, such as "one focus, two basic points," improvement, rectification, and deepening the reforms, the combination of planned economy with regulation by market mechanism,



"respect for knowledge and talent," and the building of democracy and legal system, and so on. The speech also pointed out the aspects we have neglected or weakened in recent years, such as building socialist spiritual civilization, wholeheartedly relying on the working class, building the party, ideological and political work, and so on. The speech also refuted the erroneous viewpoints of bourgeois liberalization, such as so-called economic "privatization." Our party members and party cadres have been participants in all undertakings over the past 10 years; they are not outsiders. Have they done well in upholding those things that they should uphold in ideology and in work? Have they neglected and weakened those things that should not be neglected or weakened? Have they resisted and criticized those things that should be resisted and criticized? When studying the speech, every comrade must carry out a careful review in conjunction with the reality of his thinking and work, uncover discrepancies, understand potential harm, and examine the roots. Through making these painstaking and arduous efforts, they should truly bring their understanding into line with the spirit of Comrade Jiang Zemin's speech on a whole series of major issues.

Leading cadres at all levels should set an example and be models in this study. Comrade Jiang Zemin pointed out in his speech: "We must resolutely correct the situation in which many leading cadres, encumbered with routine affairs, have slackened theoretical study and paid no attention to ideological and political trends; we must effectively enhance theoretical standards and political sensitivity of the comrades of the whole party." Leading cadres at all levels must regard this study as a turning point and strive to improve the standard of Marxist theory in the whole party. Our cause is glorious, our task is arduous, and our responsibilities are great. Material can be changed into spirit, and spirit can be changed into material. As soon as theory has been grasped by the masses, it can be turned into tremendous material force. The improvement of the theoretical standard of the whole party is bound to elevate socialist reforms and socialist construction to new heights.

#### **RENMIN RIBAO on Antipornography Work**

HK2310050089 Beijing RENMIN RIBAO  
OVERSEAS EDITION in Chinese 23 Oct 89 p 1

[Editorial: "Profoundly and Persistently Carry out 'Antipornography' Work"]

[Text] Initial results have been achieved in "antipornography" work since the CPC Central Committee and the State Council held a telephone conference on rectifying and screening publications and audiotape and videotape markets at the end of August. Through efforts over the past months, the spread of cultural dregs and spiritual garbage has been brought under control, publication markets are cleaner than before, the people feel contented, and an "antipornography" atmosphere is taking

shape throughout the country. Our work has the following characteristics: First, principal responsible comrades of party and government organs in many localities have taken the initiative in this work; second, efforts have been focused on stopping the "scarces of pornography"; third, a number of major "pornography manufacturing and trafficking" cases have discovered and handled; and fourth, a clear demarcation has been drawn in applying the policy on "antipornography." Our future task is to carry on this work profoundly and persistently.

Carrying out "antipornography" work is an important component of the implementation of the spirit the 4th Plenary Session of the 11th CPC Central Committee, is an important measure to strengthen socialist spiritual civilization, and is a good and practical work done for the people by the CPC Central Committee and the State Council. In his National Day speech Comrade Jiang Zemin pointed out: "Simultaneously persisting in socialist material and spiritual civilizations is our basic principle." "We should draw a profound lesson from our attitude of being strict on material civilization and soft on spiritual civilization over the last few years, and really do a good job in carrying out spiritual civilization in the course of developing material civilization." He added: "It is necessary to actively assimilate all excellent achievements in Chinese history and culture as well as foreign culture and to resolutely discard all feudal and capitalist cultural dregs and spiritual garbage." The purpose of carrying out "antipornography" work is to strengthen spiritual civilization, to eliminate cultural dregs and spiritual garbage, to purify the socialist ideological and cultural field, and to make it grow prosperous.

To carry out "antipornography" work profoundly and persistently, there is a need to fully understand the importance of this work. "Antipornography" work ensures the healthy development of reform and opening up. The reform and opening up we are now carrying out is a kind of reform and opening up that proceeds according to the four cardinal principles and not "reform and opening up" under bourgeois liberalization. Little has been achieved in "antipornography" work over the last few years because bourgeois liberalization was allowed to spread unchecked and no resolute measures were taken to resist or ban pornographic publications. Our social environment was seriously polluted and publications, movies, songs, dances, audio tapes, and videotapes that were regarded obscene and harmful by Western countries also found their ways to markets in socialist China. Foreign hostile forces try to wantonly disseminate their reactionary and obscene publications in China through all sorts of channels. This is an important means of carrying out "peaceful evolution" and "smokeless warfare." Therefore the central authorities' "antipornography" decision is not making a fuss over a trifle but has an important bearing on whether Marxism and socialism or feudalism and capitalism will occupy our ideological and cultural front; it concerns whether our youth will grow into a generation with ideals, morality, culture, and discipline or will degenerate into a

generation that puts profit above everything else; and it concerns whether the socialist cause will succeed and whether the Chinese nation will thrive. There is a saying among the people: "A bullet from the enemy can kill or hurt only one of us, but a book could destroy millions of us." This is not to frighten people. Instead of being carried out on a small scale, "antipornography" work must be carried out thoroughly.

The campaign against pornography should be carried out in a steady and deepgoing manner. We should neither rush into mass action nor rely on certain special organs. Under unified leadership of the party and government organs at all levels, it is necessary to integrate the special organs with the broad masses. The work in this regard could not turn out good results in the past because the leaders at various levels failed to attach due importance to and firmly grasp the work. The lower levels usually followed the higher levels like a gust of wind. Moreover, because of the failure to mete out stern punishment and handle the cases accordingly and because of the economic fines which replaced sentences, the arrogance of the offenders was not punctured and public opinion did not take shape in society. In the current campaign against pornography, it is a fine thing rare in these years that the propaganda, culture, publication, industry and commerce, taxation, customs, frontier guards, and education departments and mass organizations from top to the lower levels have attached great importance to the work and have taken concerted efforts. At the antipornography work forum of the four southern provinces held recently, a leading comrade of the central authorities pointed out that the key to doing the work well lies in mobilizing the broad masses. It is the masses who know where the obscene articles are produced and sold. So long as we integrate the broad masses with the special organs, it will form a dragnet leaving no way for people engaged in production and selling of pornographic articles to escape.

To carry on the campaign against pornography in a steady and deepgoing way and solve problems earnestly, it is necessary to use healthy work loved by the masses to occupy the ideological and cultural front. It is our firm policy to pay attention to the antipornography campaign on the one hand and grasp prosperity on the other hand. With the progress in material civilization over the 10 years of reform, the people's demands for spiritual civilization have also increased enormously. Under such a situation, we should develop healthy and beneficial cultural and amusement activities and use healthy and outstanding literature and art works loved by the masses to meet the people's needs. If we fail to do so, some people will "not be choosy about their food," giving "pornographic poison" an opportunity to take an advantage. The campaign against pornography is aimed at the periodicals, books, and videotapes that advertise bourgeois liberalization and spread reactionary, obscene, and feudal superstition and violence. We should cherish, support, and vigorously develop the rich and varied socialist ideological and cultural front.

The situation of the campaign against pornography is excellent. Since the 4th Plenary Session of the 12th CPC Central Committee, bourgeois liberalization has been criticized, the four cardinal principles have struck root in the hearts of the people, the masses have increased their political awareness, and the cultural dregs and spiritual rubbish of every description are like a rat running across the street with everybody crying "kill it." We should make persistent efforts, advance on the crest of the victory, and continue the work which is conducive to the building of socialist spiritual civilization in a down-to-earth manner for a long time to come. As an important work, we should grasp it now as well as in the future. In this way, we can make our ideological and cultural front healthy and prosperous.

### **BAN YUE TAN on Need for Stability**

*OW 2110150789 Beijing BAN YUE TAN in Chinese  
No 16, 25 Aug 89 pp 6-8*

[First of a series of lectures on patriotism by the BAN YUE TAN Editorial Department: "A Country Can Develop Only in Stability"]

[Text] Currently, the words "building up the country in adversity" are quite popular. However, an essential condition to building up the country in adversity is for the entire nation to resolve problems by rising up and eliminating the chaos. When society is chaotic and unstable, problems will become worse. Under such circumstances, would not the words "building up the country" become an empty slogan?

Having personally experienced the recent political storm, which was bound to happen "sooner or later," the Chinese probably know this point much more profoundly now than in any other period in history.

People talk about "building up the country in adversity" in the face of numerous contradictions and difficulties that have surfaced in our country's social and economic life in the last 2 years. Their feelings are understandable. However, the current new predicament has led many people to think bitterly: How much better would it be if there had been no counterrevolutionary rebellion in Beijing and turmoil in other places! We would have been able to implement, without interference, the established policy of the central authorities and smoothly carry out the task of improving the economic environment, rectifying the economic order, and deepening the reform!

Nevertheless, events that people would not like to see happening, after all, happened. The shocking rebellion and turmoil have confused the minds of quite a few people, caused injuries and deaths to tens of thousands of people [cheng qian shang wan 2052 0578 0006 8001], caused damage to economic construction, undermined China's international image, and resulted in major, irreparable losses to our drive to improve the economic environment, rectify the economic order, and deepen reform and opening.

This lesson of fire and blood has left another heavy imprint in the textbook of patriotism of the Chinese nation: China cannot afford chaos; it needs stability. Stability comes first as far as our national interest is concerned.

Of course, stability is not important to China alone. The cases of Lebanon, which is torn by war; Cambodia, which is suffering from Vietnamese invasion; Nicaragua, which is beset by internal strife; and all other countries in a state of instability have demonstrated to the world that both a country and its people will suffer once peace and stability are lost.

For a large country like China, which has a huge population, stability obviously is even more important. There is no other way but for the countrymen to pool their efforts together to build up the country. Chaos and disorder must be avoided by all means.

Historically speaking, China has always been prosperous and strong in times of political stability and national unity, and it has always been weak and helpless in times of turmoil and disunity. The birth of New China has brought fundamental changes. However, when we compare the 10 years of the "Great Cultural Revolution," during which the country was in chaos and the economy was near the brink of ruin, and the last 10 years since the 3d Plenary Session of the 11th CPC Central Committee, during which the country and its people enjoyed peace and the economy and society developed vigorously, it is not difficult for us to understand the basic law: Stability helps develop the country and benefit the people, whereas turmoil will bring harm to the country and the people.

Does not everybody wish the motherland to become strong and prosperous? Then everybody must reach a common understanding on this basic law and do more for stability.

Stressing stability naturally does not imply resting content with things as they are or standing still and refusing to make progress. The broad masses are justified to criticize and ask the party and government to improve their work. Their criticism and suggestions should be welcomed and supported. However, when people frequently take to the street, boycott classes, stage hunger strikes, or lie on the railway track, saying that "since the revolutionary predecessors have done this for the cause of democracy and liberation, we surely can do likewise!" the matter then requires further study.

We can see that these people have confused the two different kinds of contradiction between the enemy and ourselves and mistakenly adopted the methods which were used against reactionary regimes in dealing with the CPC that rules the country on behalf of the people. Since the people have been emancipated under the party's leadership and are masters of their own affairs, even if they are dissatisfied with the party and the government, they may go through the proper channel in airing their views, hold dialogues and join in the discussions of

methods to improve the situation. They should not resort to violent actions, which are really not necessary.

I suppose many readers still recall that the problems and mistakes in the work of the party and government over the decades were mainly solved by none other than our party and government themselves. This was true when we corrected the major mistakes like the "Great Leap Forward" and the "Great Cultural Revolution." It was also true when we broke out of the restrictions of an ossified and closed system during the past 10 years of reform and opening to the outside world. This is also the case with the current efforts to improve the economic environment and rectify the economic order in order to curb inflation and overcome corruption. Has any of this work not been directed by the party and the government?

People who are not prejudiced will clearly see that the CPC, whose goal is serve the people, is the hope of the nation. It shares identical interests with the broad masses of people. In other words, the socialist system is highly capable of improving itself. It is absolutely possible for the people to realize their good intention of improving their work, putting the country in order and achieving prosperity for the state under the leadership of the party and the government. They do not have to adopt measures that affect social stability.

This sounds like a platitude. But it is necessary to repeat it here. This is because, having conducted study activities and made reflections, students and other citizens who were involved in student unrest, turmoil, and even counterrevolutionary rebellion under the influence of an extremely few people realized that they have almost forgotten this platitude. This was why their violent words and deeds in the recently subdued political disturbance were used by a very few people hostile to the CPC and socialism. The good intention of promoting democracy, upholding reform, and opposing corruption has yielded results contrary to their wishes; hence, the disastrous consequences that jeopardized stability, saddened our own people, and gladdened the enemy. This bitter lesson has awakened more people to the fact that the good intention of caring for the nation and the people should be supplemented with actions conducive to stability in order to realize our original intention of bringing prosperity to our country and benefit to our people.

A fall into the pit, a gain in your wit. To all Chinese people who cherish an ardent love for the motherland, the evil things that happened in the recent past are changing into good things. The answers to some befuddled ideas that existed for some time in the past are beginning to surface.

It is common sense that we should act according to the law. China's Constitution, laws, and decrees are a concentrated representation of the fundamental interests of the state and the people. They are essential to social stability. Everyone should ensure that their actions conform to these laws and decrees, and should not overstep



their bounds, let alone showing contempt for or trampling on them by holding demonstrations without authorization, boycotting classes, and so on. Otherwise, if all laws, human and divine, are defied, normal social order will be upset. This is not allowed by generally acknowledged principles.

It is equally important to take the overall interests into consideration. With a population of 1.1 billion, it is not unusual for the people in China to have different ideas and behavior. This is normal. However, these differences can only be minor ones. Minor differences should not run counter to the overall uniformity. Minor principles should be subordinate to major principles. Putting the country in order and invigorating the nation is the "overall uniformity," a major principle. No matter how justifiable they may be, actions that run counter to the overall uniformity and the major principle will result in a situation where important things are neglected due to overemphasis on minor issues. This situation is detrimental to the overall situation.

In doing certain things, we still need to check feasibility. For example, in making policy decisions in a democratic way, doing things with a scientific approach, thoroughly eliminating corruption and tackling the issue of unfair income distribution, we still need to go through a procedure. We cannot achieve all this at one fell swoop. If we do not fully realize this point, and if we often fly into a rage whenever we fail to achieve anything, and try to attain the "shock effects" of the so-called "extensive democracy," we might end up being harmed by "democracy" in the course of seeking democracy. The shock would harm our nation as well as ourselves.

People are still pondering, and we must seriously ponder, how we can consciously adhere to the foundation of the country by upholding the four cardinal principles and take the road to lead the nation to strength and prosperity by carrying out reform and opening to the outside world, improve our ability to distinguish right from wrong, resist the corrosive influence of bourgeois liberalization, and tackle other major issues, because both in thinking and in action, none of us can avoid making one of the following two choices:

Despite having a good motive, one cares little about the way to achieve one's goal, nor does one care about the consequences. All this inadvertently increase the factors of social instability and makes things go contrary to one's wishes. It is distressing to see things happening in such a manner.

Or, alternatively, one not only has a good motive, but matches the good motive with adequate words and deeds, while holding oneself responsible for social stability. One's desire to promote what is beneficial and abolish what is harmful will definitely win approval of the people.

It is self-evident which choice is beneficial and which is harmful.

At the present moment, when our country is going through a rigorous test, the people detest disturbances, while advocating peace. The trend of the times calls on all citizens to follow the principle whereby in tackling an issue and doing something, we must take actions that are conducive, not harmful, to social stability and that are beneficial, not detrimental, to the future of the Chinese nation.

We must always keep in mind that turmoil is harmful and that only stability can lead the nation to prosperity.

As long as we remember this point and vigorously put it into practice, we deserve the simple but noble title—patriots.

### Jiangsu Factory Runs Model Political School

HK2110014289 Beijing RENMIN RIBAO in Chinese  
15 Oct 89 p 1

[Report: "Yangzhou Cotton Mill Has Run a Political School for 8 Years To Improve the Political Quality of Its Staff and Workers"]

[Text] Over the last 8 years the Yangzhou cotton mill has run a political school to give its staff and workers systematic education in Marxist basic principles and the party's basic line. This has greatly improved their political quality. So far its staff and workers have attended training courses for 28,000 times in rotation, thus laying a good ideological foundation for the factory's two civilizations. After a provincial-level appraisal, this factory was commended as an advanced enterprise in ideological work and facilities management for the year 1988.

The Yangzhou cotton factory is a medium-sized enterprise with 3,000 staff members and workers. In April 1981 the factory began to run the first political school in Jiangsu Province. Over the last 8 years they have drawn benefit from it and gained rich experience.

1. The key is that enterprise leaders should have a high sense of responsibility and consciousness. Following the overall development of urban economic structural reform, some comrades think that the enterprise should pay attention to economic results and that the employees should pay attention to material benefit. Economic levers are like "Western medicine" that can produce quick effects whereas political education is like "Chinese medicine" that produces slow effects; the latter should "withdraw to the second line." Other comrades said that there was no need to run the political school any more because all the employees had attended the school courses. The development of an enterprise relies on the improvement of its employees' quality. If their ideological quality is overlooked, it is impossible to solve the enterprise's problems. After a survey on their political and ideological situation, the factory discovered that new ideological problems emerged after the old ones were solved. In addition, there are new workers coming to this factory each year. Therefore there is a need to give systematic education to both old and new workers.

When bourgeois liberalization was spreading in 1986, an ideological trend to negate Marxism arose in society and some people began to cast doubts on reform and the four cardinal principles. Thus the factory party committee organized party-member cadres in studying Comrade Deng Xiaoping's important explanations on adhering to the four cardinal principles and opposing bourgeois liberalization. After study they understood that the more complicated the situation was, the more necessary it would be to resolutely carry out education in Marxist basic theory and to help the employees use Marxist stand, views, and methods to observe and analyze problems. This fundamentally helped resist the influence and corrosion of wrong ideas. On the basis of this understanding, they took the adherence to the four cardinal principles as an important component of their teaching courses. The factory was not affected by the turmoil and counterrevolutionary rebellion in May and June in Beijing. It held an ideological and political work meeting to study and arrange work for strengthening systematic education in the political school.

As a result of its persistence in running the political school, the factory's staff and workers have greatly improved their political quality. For the last 8 years about 800 employees have joined the Communist Youth League and 76 others have joined the party. Over the last few years some 180 workers have submitted their applications to the party organization for party membership. The political school has also trained cadres, of whom 134 have been appointed group leaders or sectional leaders and 33 have been promoted to medium-level cadres of the factory.

2. They take Marxist basic principles and the party's basic line as the main component of their teaching courses. For the last 8 years each employee of the factory has taken part in five political courses by turn. Each course proceeds from the study of Marxist basic principles, focuses on "one central task and two basic points," and specifically deals with reform, opening up, and the socialist commodity economy. They compile their teaching material and conduct their teaching courses with the aim of turning out employees with "four have's."

The factory's staff and workers have all sorts of ideas and understanding in the new situation of reform and opening up. At one time some of them cast doubts on the superiority of socialism. Therefore the political school provided education in adhering to the four cardinal principles so as to improve the workers' ability to distinguish between right and wrong. A young worker named Xu went to settle in Brazil to inherit the property left behind by his uncle. After staying in Brazil for 6 months, he still could not adapt himself to the society in which "money is omnipotent." So he went back to the motherland. Seeing the five-starred red flag at Shanghai's Hongqiao airport on his arrival in the country, he could not help crying. He said in the political school: "There are innumerable good things in the world, but none of them is better than socialism. In a capitalist

country, it will not do without money, nor will it do without being influential; some rich and influential people have to live in fear. I will never forget the bitter lesson in blindly yearning for the Western world." The factory promptly used his personal experience to give profound education to some young workers who had the idea of going abroad to enjoy.

When cash and material rewards were issued at will between late 1984 and early 1985, this factory did not provide unnecessary rewards to its staff or workers. Nevertheless the feelings of most of its staff members and workers remained stable. Therefore the higher authorities praised them for this.

In dealing with the "money worship" that has been common among some staff members and workers for the last 2 years, the political school has combined the study of socialist commodity economy with the study of Marxist political economy and the study of the party's principles and policies; it has explained wide-ranging problems from "family accumulation" to "social accumulation," from improving life to expanding reproduction, from parents' responsibility for family to economic responsibility system, from individual interests to the interests of the enterprise and the state, and from material benefit to the spirit of devotion, with the aim of encouraging the staff and workers to hold firm to a correct orientation in practicing the commodity economy, and strengthening the concept of "securing position through competition and contribution determining remuneration."

The political school lays particular stress on educating and guiding young workers so that they can establish a correct life concept and world outlook, have an explicit idea of the historical mission of the working class, and understand that they are not necessarily qualified workers upon their enrollment in the factory and that a member of the working class must first of all foster a high sense of responsibility and a lofty ideal. Through 8 years of instillation, there has been a marked improvement in the political and ideological quality of the employees, particularly young workers. Some "thorny workers" have become backbone forces in production and others have won meritorious awards.

3. The political school can cope with the change in the situation, improve teaching methods, and blaze a new trail in teaching. The school pays attention to the combination of five aspects in the course of teaching: the combination between rotational training and various forms of courses, the combination between positive instillation and self-education of a democratic and open nature, the combination between systematic and routine education, the combination between inside and outside school studies, and the combination between political and cultural or technological education. Because they have adopted flexible teaching methods in light of their specific conditions, they can properly solve the contradictions between production and political study and

between professional and political training. This has produced prominent results and is well received by the staff and workers.

On the basis of summing up its 8 years' experience in running the political school, the factory is determined to further improve and consolidate the political school's achievements and to make further efforts to blaze a news trail in enterprises' ideological and political work in the new period.

### Commentator Writes

HK2110014689 Beijing RENMIN RIBAO in Chinese  
15 Oct 89 p 1

[Commentator's article: "Improving the Political Quality of Staff and Workers Is a Major Task"]

[Text] The workers' experience of the Yangzhou cotton mill in running the political school is noteworthy. Their experience suggests that an important point for an enterprise to adhere to a correct socialist orientation and maintain the continuous development of production is to train a contingent that is politically and professionally qualified. With this contingent, an enterprise can stand the test of difficulties and risks, will be full of vitality, will develop vigorously, and will make continuous contributions to the two civilizations.

A political school is a creation of staff and workers, is a good form to give systematic political and ideological education to staff and workers, and is an important place for carrying out ideological and political work. Over the last few years some enterprises have run various kinds of political schools and have achieved good results in this respect. However some people have asked whether "there is a need" to run such schools and whether such schools "can work." The 8 years' experience of the Yangzhou cotton mill in running the political school has provided an answer to these questions. Their experience is successful.

Improving the quality of staff and workers, particularly their political quality, is a major task because we are carrying out modernization in the new situation of reform and opening up during which new contradictions and problems will crop up. Helping staff and workers to understand these problems and handle these contradictions requires effective ideological and political guidance. Due to opening up in particular, all sorts of things will come from abroad and some decadent bourgeois ideas will emerge. The corrosive influence of these decadent and erroneous ideas on staff and workers should not be underestimated. Thus we are required to constantly conduct education in Marxist basic theory and the party's basic principles and policies among staff members and workers so that they can build a great wall in their minds to resist that corrosive influence. This is an important link that enables enterprises to advance along the socialist road in their reform and opening up.

Our enterprises are socialist enterprises. Apart from producing better and more commodities, they are required to foster a new generation who has "ideals, morality, culture, and discipline." Of course socialist enterprises should instill socialist ideas into their staff and workers, and running political schools is one of the important and effective methods to instill socialist ideas. Political schools will enable staff and workers, particularly young workers, to establish a correct life concept and world outlook, to enhance their political consciousness of loving the factory and the state, to bring their initiative, creativity, and enthusiasm into play, and to work hard for and make contributions to the country's socialist modernization.

The valuable experience of the Yangzhou cotton mill lies in the fact that it made a correct decision to run a political school because it was aware that this was a good method to give systematic education to its staff and workers. It has persisted in this effort and keeps improving its work to cope with the needs of the new situation. This political school has experienced trials and hardships for 8 years, and it has not been easy for it to persist in ideological and political work under a very difficult situation. This also suggests that enterprise leaders have a strong sense of political and professional responsibility and that they are good at probing and creating effective forms for ideological and political work in light of their specific conditions according to the requirements of their staff and workers. Practice has proved that ideological and political work can attract people provided the methods and ways are correct. There are bright prospects in this regard.

The experience of the Yangzhou cotton mill is worth studying and popularizing. We believe that other enterprises and units can also create better and more experiences and really improve and strengthen their ideological and political work as long as they fully understand the importance of improving workers' political quality, and regard this as a major task. Our party's fine tradition in ideological and political work will certainly shine with new splendor in this new historical period.

### Commentator on Strengthening Study of Marxism

HK2210083089 Yinchuan NINGXIA RIBAO in Chinese  
9 Oct 89 p 1

[Commentator's Article: "Effectively Step up the Theoretical Study of Marxism"]

[Text] In recent years, with Comrade Zhao Ziyang's support and connivance, the advocates of bourgeois liberalization focused their theoretical activities on attacking and denigrating Marxism, and this caused serious theoretical confusion, which in turn caused confusion in the minds of cadres and ordinary people and caused confusions in our socioeconomic life. Therefore, a major political task for the whole party at present is to strengthen the study of Marxist theory and more effectively publicize Marxist theory so as to thoroughly set



aright the theoretical foundation, clear away various muddled ideas, and unify and enhance people's thinking.

Marxism-Leninism and Mao Zedong Thought constitute the theoretical base guiding our thinking and our work in all fields. Our practice in the past decades showed that all victories in China's revolution and construction came from the guidance of Marxism-Leninism and Mao Zedong Thought and were results of our effort to combine the universal truth of Marxism with China's realities. Whenever we studied Marxism in earnest, our cause would make smooth progress; on the contrary, whenever we did not study Marxism well, our cause would encounter frustrations and problems. In the past, there were many errors in our work, but the errors were not the results of our adherence to Marxism as some people criticized; on the contrary, they were the results of our deviation from Marxism. The "theories" about Marxism being "outdated" and about Marxism encountering a "crisis" were all ridiculous opinions spread by the advocates of bourgeois liberalization.

Upholding Marxism-Leninism and Mao Zedong Thought and always adhering to the basic principles of Marxism as a theoretical guide constitute the Chinese communists' firm belief and a cardinal principle that the Chinese people firmly maintain. However, in early 1987, Comrade Zhao Ziyang openly advocated that among the four cardinal principles, we should mainly adhere to the party's leadership and need not mention or at least need not frequently mention the other three points. Under the influence of his opinion, the four cardinal principles were not taken as the main subject in the ideological and political work for a certain period. Some people regarded Marxism as "stereotyped shibboleths" and "empty talk." Many people who upheld the four cardinals and persisted in publicizing Marxism became targets of sarcasm, while people who advocated bourgeois liberalization were praised to the skies. Remarks that denigrated and vilified Marxism-Leninism and Mao Zedong Thought were reputed as innovations and breakthroughs. Many cadres and ordinary people obviously loosened their efforts to study Marxism. This state of affairs has led to some serious consequences and must not be allowed to continue. It must be resolutely changed.

Marxism is a science that develops continuously. The basic theory of Marxism is truth that has been tested and verified numerous times in practice. However, it does not bring an end to the development of truth in human history. Marxism will develop along with the struggles in reality. We should not keep Marxism at the same level as several decades or more than one century ago. Marxism should not only be maintained but should also be developed. Developing Marxism and adhering to Marxism are in keeping with each other and only by adhering to Marxism can one develop it, and only by developing Marxism can one adhere to it. We must not allow any deviation from Marxism in the name of "developing" it, and must not regard "adherence to Marxism" merely as repeating the individual conclusions and theses of

Marxism. We should persistently take Marxism as a guideline to deeply study the new questions in the course of reform, opening up, and socialist modernization, and should properly combine the stand, viewpoint, and methodology of Marxism with the ever changing and developing realities and continuously sum up and crystallize the results of such combination to a higher level of theory and rational knowledge. So long as we consciously adhere to and develop Marxism in our practice, Marxism will certainly demonstrate its strong vitality and convincing power and will really become a powerful ideological weapon for unifying the thinking of the whole party and the whole nation.

We must properly organize the study of Marxist theory under the new historical conditions and in the new great struggle. We should have a high degree of consciousness and a sense of urgency in doing this, and should adopt various forms for different people. Necessary systems and rules should be established and strictly enforced. Leading cadres at all levels should take the lead in studying Marxist theory and applying the theory to their practical work, thus maintaining a good style of linking theory with practice. We should display great diligence and persistence in studying Marxism, seriously read a number of books, take an active part in the practice of the masses, adopt a clear-cut attitude to uphold the four cardinal principles and to oppose bourgeois liberalization, and study the new conditions and solve the new problems in the course of reform and construction, and thus realize the combination and integration of theory with practice.

#### Article Views CPC 'Core' Leadership, Deng

HK2310094089 Hong Kong KUANG CHIAO CHING  
in Chinese No 205, 16 Oct 89

[Article by Chiang Wei-wen (3068 0251 2429): "How Will the Core of CPC Leadership of the Third Generation Operate? When Will Deng Xiaoping Step Down From the Military Commission?"]

[Text] This reporter arrived in Beijing in late autumn.

This reporter was informed by people familiar with China's situation that: The CPC of the third generation with Jiang Zemin as the leader has built up a preliminary base, that China's political situation is stabilizing; however for the time being, it is not possible for Deng Xiaoping to step down.

#### For the Last Few Months Top Levels Have Successively Held Important Meetings

Deng Xiaoping hopes that in the future there will not be any "title" for him or any part in practical work. But well-informed sources told this reporter that, at least until next year, Deng Xiaoping will continue to hold the post of chairman of the CPC Central Military Commission. It is learnt that for the last few months, important meetings have successively been held by top CPC levels. Following the 4th Plenary Session of the CPC 13th



Central Committee, the new CPC Political Bureau Standing Committee called a meeting, and the first thing the discussion took up at the meeting was the documents of "screening work," which was aimed at overhauling and consolidating organizations and cleansing them of hidden troubles. This discussion was followed by one on economic problems. Important meetings were successively called by the central leading group for foreign affairs and central group for propaganda work and other groups. Both Jiang Zemin and Li Peng made important speeches.

#### **Jiang Zemin and Li Peng Support Each Other**

Following the establishment of the new core at top CPC levels, it is learnt that there have been far more get-togethers and exchanges of opinion than in Zhao Ziyang's era. Democratic atmosphere and mutual support are stronger compared with the past, and opinions are closer and less divided. Between 31 May and 16 June, Deng Xiaoping successively made three important speeches requesting the new leadership group to center around Jiang Zemin, and not to have resentment or to engage in formation of factions. At that time overseas observers made many speculations on these three speeches. Early in October, Li Peng, at a meeting with foreign entrepreneurs, publicly supported Jiang Zemin as the center, commenting highly on Jiang's experiences in political and economic work. On 3 October, during talks with foreigners Jiang Zemin explicitly stated that the cooperation between him and Li Peng is very good, and their opinions completely identical.

#### **Political Bureau Meetings Were Abnormal During the Zhao Ziyang's Era**

Unexpectedly, Beijing personnel consider the incumbent new CPC leading echelon more democratic than former General Secretary Zhao Ziyang, and its policies easier to implement. Well-informed sources say: In the past when Zhao Ziyang made a mistake, he would not admit it. The current economic difficulties facing China are in fact results accumulated from previous overheated economic activities and loss of control. But Zhao Ziyang only admitted to making mistakes in last year's economic work, not the slip-ups in economic work over the last few years, thereby shifting all the responsibility to Li Peng. Early this year, both Deng Xiaoping and Li Peng made self-criticism, except Zhao Ziyang, who would not admit his mistakes, with the result that problems in China's economic policies in the previous stage were not confronted squarely, and the pace in these areas was stalled. When Zhao Ziyang was general secretary, the Political Bureau's "living meeting" was called only once, and at that meeting Zhao did all the talking. When other Political Bureau members, such as Li Ruihuan, were going to present their opinions and criticisms, it was close to noon—time Zhao had supper. At that time, it was not possible to put forth in a timely manner different opinions. Zhao Ziyang practised "monopoly of speech," and fared badly in democratic style. At one Political Bureau meeting, he did not even have a subject for the

occasion. Meetings would turn into a "lecture" session. Political Bureau members whose opinions differed from his would often be rudely retorted. It was a very abnormal state for meetings and exchange of opinion. The situation has improved since Jiang Zemin came to power.

#### **Zhao Ziyang's Position and His Health**

The fate of Zhao Ziyang is everybody's concern. From what this reporter has obtained from interviews, the charge laid against Zhao Ziyang by the CPC leadership core is: Committing the serious mistakes of supporting turmoil and splitting the party. Investigations into his problems will continue. Instructions have also been given that newspapers and media maintain exposure of his mistakes in various areas, that a small number of hostile elements, including Zhao Ziyang's former secretary for politics, Bao Tong, must be ferreted out to ensure that there will not be hidden troubles. However, Zhao Ziyang's living provisions have not been cut, and the new CPC leadership does not intend to arrest or sentence him. So far Zhao Ziyang is enjoying freedom of movement, but under tight surveillance. It is reported that Zhao is suffering from inadequate blood supply to his heart, and headaches and fatigue, but these have not worsened since treatment.

Under a stabilized political situation, China would like to vigorously develop its economy and further pursue reform and opening up. It is learnt that both Jiang Zemin and Li Peng think it necessary to spell out clearly China's current economic situation to the whole of Chinese people, that they must be prepared for several years of hardship and tough struggle.

Jiang Zemin considers that the disturbance between May and June can be described as terrifying waves. It was more than "a gentle breeze rippling the surface of a pool." Western countries' attitudes and response, including "sanctions" and "exerting pressure" and so on, have become a new problem facing China's diplomacy.

#### **It Is Impossible To Isolate China**

In Jiang Zemin's opinion, China is a big country, with 1.1 billion people, enjoys solid technological, industrial, and military foundations, has an important strategic position and an enormous market and potentials. It is just impossible to isolate China, which some of the politicians in the international world should be able to understand clearly. And the so-called "economic sanctions" will not weaken top Chinese officials' determination to bring China to prosperity and uphold their ideals.

#### **Relations Between China and the West Will Not Deteriorate Further**

Li Peng estimates that the "sanctions" imposed on China by some of the Western countries will greatly affect the speed of China's economic construction and its technological progress, but China's economy will not be throttled.

Li Peng judged that the attitude toward China of the parliaments, and their members in some Western countries may be quite severe and violent, but governmental departments have been restrained in their response. And as far as businessmen in the West are concerned there are no sanctions at all, they have been doing business and cooperating with China as usual, for this will only benefit them. Attitudes differ even among Western countries. China's crackdown on the hostile forces has crushed some of the Western people's sweet dream of "peaceful evolution" in China, and their discontent will continue for a long time. But under the present situation, Li Peng judged, relations between China and the West are not likely to further deteriorate but, of course, neither will they be anywhere near good. However, China's future diplomatic activities will strongly demand mutual respect from Western countries, and that they not interfere in China's internal affairs.

#### **Vigilance Against Western Infiltration, and the Emphasis on Education in the National Situation**

However, in view of the fact that some forces in the West are attempting to subvert, infiltrate, and to "peacefully evolve" China, the CPC leading echelons lay particular stress on sharpening vigilance, to conducting education in patriotism and national dignity.

#### **Jiang Zemin Went Through Three Kinds of Education**

Recently Jiang Zemin said in recollecting his past experiences: "I went through three kinds of education. The first was the traditional learning of Confucius and Mencius works, reciting 'Man was born good in nature' and 'The Master said: 'Is it not pleasant to learn something and practise it all the time' when attending the primary school. Then came the bourgeois education. The third kind of education was one in Marxism and the tradition of revolutions." Jiang Zemin said, the strong dose of patriotic education he received when Chinese political power changed hands, and then there was, in 1950, the war to resist U.S. aggression and aid Korea, influenced him greatly.

Jiang Zemin expressed that the images of Wen Yiduo and Zhu Ziqing remain to this day vivid in his mind. Wen Yiduo courageously stepped forward to face with fury the brute force of the Kuomintang, and Zhu Ziqing, though sick, would rather die than eat the American's relief grain. Jiang Zemin thinks Chinese youths should take Wen Yiduo and Zhu Ziqing as models and should not bow, act obsequiously to, and blindly envy the West.

#### **Jiang Zemin Requests Diplomatic Personnel To Value Their National Dignity**

Jiang Zemin sees the Chinese people as ones who value their national dignity. The ancient Chinese ambassador Su Wu spent 19 years in an icy foreign land, maintaining, however, a dignity befitting a diplomatic envoy. Even now Jiang Zemin still remembers the song "Su Mu the

Shepherd." Jiang Zemin requests Chinese diplomatic personnel stationed overseas to value their national pride.

#### **Top Levels Are Concerned About The Problem of Hong Kong**

Deng Xiaoping has always stressed doing a good job with Hong Kong, so that there will be a smooth transition. Jiang Zemin, Li Peng, and Li Ruihuan all pay close attention to Hong Kong. After the "June 4" incident, shortly after the Chinese situation stabilized, in an attempt to tackle the Hong Kong issue, Director of the State Council's Hong Kong and Macao Affairs Office Ji Pengfei called a meeting, which was attended by Xu Jiatao, director of XINHUA News Agency, Hong Kong branch, and Deputy Minister of Foreign Affairs, Zhou Nan. After the meeting the State Council's Hong Kong and Macao Affairs office made a report to the highest CPC echelon. The CPC determined that the first priority then was to hold together the left camp in Hong Kong, recognize clearly the true nature of the recent event that took place in China, and the target for future struggle; that the CPC must explain, batch by batch, the real situation to Hong Kong businessmen and personnel from other circles in order to stabilize their confidence in continuing to develop Hong Kong into a base for the promotion of China's four modernizations; instead of turning Hong Kong into an anticommunist, subversive base. Now is the time to make clear to the British that they must carry out strictly the Sino-British "Joint Declaration."

#### **The Political System of Hong Kong Must Develop Stage by Stage and Progressively, Taking the Interests of Various Circles Into Consideration**

The CPC is determined that the political system in the future Hong Kong Special Administration Zone's "Basic Law" must develop and advance step by step, with a view to taking account of and balancing the interests of various strata, not the special interests of a certain stratum or group. Jiang Zemin has advocated: Well water does not intrude into river water, while Li Peng has stated that whatever disturbances there may be inside or outside China, the Chinese Government will not change Hong Kong's and Macao's capitalist systems, at the same time China will not allow anybody to turn Hong Kong into a base for subverting the central government and the mainland's socialist system. Li Peng stated that China would like Britain to earnestly observe the Sino-British "Joint Declaration" and work at maintaining Hong Kong's prosperity and stability, and a smooth handover of political power.

#### **The Work of Building an Upright Government Must Be Carried on Indefinitely]**

The work of building an upright government is an important event and a key project for the CPC, and one program of the work is the elimination of corruption. Recently, the firing of Hainan Provincial Governor Liang Xiang and Chairman of Guangdong Provincial

Committee of Foreign Economic Relations Xu Yunian has demonstrated the determination of China's authorities in this aspect. Deng Xiaoping, Jiang Zemin, and Song Ping all demand that the building of an upright government be maintained for a long time ahead. Song Ping has further measures for the work in the future.

### **Martial Law Will Stay for Some Time for Three Great Reasons**

Owing to the following reasons, Li Peng considers that martial law in Beijing will continue for some time:

1. Some leaders of the "prodemocracy movement" have so far remained at large.
2. A vast amount of guns and ammunition were lost and have not been found.
3. School has just begun, and educational activities must be launched. Some organizations must also be overhauled and consolidated, which will be easier if martial law enforcement troops are stationed in Beijing.

As to when martial law in Beijing will be lifted, so far there has been no conclusion in Beijing top levels, it is learnt.

### **There Will Be a Series of Personnel Shuffles**

At many high-level meetings, the new leadership core—such as Jiang Zemin, Li Peng, and Li Ruihuan—is in the opinion that departments such as press, education, culture, and propaganda were involved rather deeply in the "June 4" incident, with the nature of some departments turning bad and getting out of the control. Some personnel in these departments, especially responsible persons who have made serious mistakes, are being investigated and, after being verified by the Central Committee's Organization Department and Propaganda Department, will be either sacked or transferred from vital departments. He Jingzhi now heads the culture department, Zeng Qinghong has been promoted from Shanghai to the Central Committee General Office, and Song Muwen now directs the general office for information and publication. This, plus the coming series of important shuffles, presages the plan by the new CPC leadership core and its determination to further consolidate personnel, organizations, and ideology.

### **Pro-Democracy Leader Said Arrested in June**

*HK2310030189 Hong Kong SOUTH CHINA MORNING POST in English 23 Oct 89 p 12*

[Text] A key organiser of the pro-democracy movement last spring has been held by Beijing police since late June.

Han Dongfang, leader of the outlawed Beijing Autonomous Workers Union (BAWU), had given himself up to police, according to the latest bulletin from Asia Watch, the New York-based human-rights organisation.

Han, probably incarcerated in the maximum-security Qincheng prison just outside Beijing, has been held incommunicado since then.

The martial law authorities have made no announcement concerning Mr Han's whereabouts.

Chinese sources say Han went into hiding in the capital on June 4. However, he surrendered after realising he could not escape the security dragnet.

The martial law command issued warrants for the arrest of Han and other labour leaders on June 14.

Since then, other BAWU stalwarts, including Liu Quan, have been apprehended.

Han, 26, a railway worker, was a founder member of the BAWU which was established on May 19.

He was instrumental in setting up two tents and a broadcast station in Tiananmen Square at the height of the movement in late May.

### **State Council Condoles Quake-Stricken Areas**

*OW2210190389 Beijing XINHUA Domestic Service in Chinese 1303 GMT 22 Oct 89*

[“Local Broadcast News Service”]

[Text] Beijing, 22 Oct (XINHUA)—The State Council sent a message on 21 October to express sympathy and solicitude to the Shanxi Provincial People's Government and the earthquake-stricken areas. The message reads in full as follows:

The Shanxi Provincial People's Government and the broad masses of cadres and people, as well as the people's governments in earthquake-stricken areas in Datong and Yanggao, and the commanders and fighters of the People's Liberation Army [PLA] units and the Armed Police Force in support of the quake-hit areas:

From the late evening of 18 October to the early morning of 19 October 1989, an earthquake of magnitude 6.1 on the Richter Scale hit areas in Datong and Yanggao counties in Shanxi Province, endangering people's lives and damaging their properties. Showing deep concern for the earthquake victims, the State Council herewith wishes to express sympathy and solicitude to the people who have suffered from the earthquake and to wholeheartedly thank and show its appreciation to the broad masses of cadres, people, medical personnel, PLA and armed police commanders and fighters who are working hard at the forefront to combat the natural disaster and carry out relief work.

The State Council hopes that the people in earthquake-stricken areas will carry forward the revolutionary spirit of arduous struggle, unite as one, work hard for the prosperity of the country, rely on their own efforts to resume and develop production as soon as possible, and



do a good job in helping themselves by engaging in production and in rebuilding their homes.

The State Council believes that under the leadership of the Shanxi Provincial People's Government and with the close coordination of the relevant departments and the PLA and armed police units, the people in earthquake-hit areas will definitely offset the damages caused by the earthquake and score victories in combating the earthquake and carrying out their relief work.

[Signed] The State Council

[Dated] 21 October 1989

### Improved Social Stability, Party Style Urged

HK2110060189 Beijing RENMIN RIBAO in Chinese  
16 Oct 89 p 6

[Article by Zhang Zhenyan (1728 2182 1484) and Chen Haitao (7115 3189 3447): "Improve Party Style and Promote Social Stability"]

[Text] In the course of China's socialist modernization drive, to further deepen the reform and persist in opening up to the outside world, there must be a stable social environment. Of the numerous factors for ensuring social stability, the key one is to step up party building and rectify party style.

What should we do to improve party style, promote social stability, and maintain a political situation marked by stability and unity? As we see it, we should concentrate on grasping the following tasks well:

First, it is necessary to conduct education in Marxist theory and scientific and general knowledge among all party members in order to radically improve the ideological, ethical, scientific, and cultural conditions of all party members. Marxism-Leninism-Mao Zedong Thought is the fundamental guiding thought of our party. Only by persistently conducting education in Marxism in the whole party, is it possible to constantly improve the ideological and theoretical levels of all party members, thus enabling them to genuinely foster a world outlook of dialectical materialism and historical materialism, and an outlook of courageously fighting for the lofty ideal of communism and cultivate the fine moral quality of the proletariat. Only in this way can they always remember, in the course of practice, the purpose of wholehearted service to the people, preserve and carry forward the fine traditions and styles of the party, and be good at using Marxist stand, viewpoints, and methods to answer and deal with all problems in socialist revolution and construction, and consciously resist the corrosion of all kinds of non-proletarian ideas and styles. When the ideological and moral quality of all party comrades has improved, it will fundamentally ensure that, given the new historical conditions, our party will be able to genuinely stand the test of being in power and of reform and opening up and thus lead the people of the whole country in achieving, at an early date, the task of building a rich, powerful, democratic, and civilized

modern socialist state. While penetratingly conducting education in Marxism in the whole party, it is also necessary to conscientiously conduct education in scientific and general knowledge. This is because backwardness in scientific knowledge and general education is also an important cause affecting improvement in party style. It can be said that the poor scientific and cultural conditions of party members provide a hotbed for unhealthy practices. According to statistics, of the 47 million party members, those with an education at or below the junior middle school level account for 78 percent. Of these, illiterate party members account for 8 percent. We should exert great efforts to reverse this state of affairs.

Secondly, it is necessary to set up and improve various supervisory mechanisms and step up supervision over all party members and cadres. At present, the unhealthy practices and corruption within the party are serious. We cannot but say that an important reason for this is the lack of effective supervision and restriction. Therefore, this makes it necessary for us to rapidly set up and improve various supervisory mechanisms and develop multi-channel supervision over all party members, thus ensuring the success of the party cause institutionally. To this end, first, energetic efforts should be made to step up the building of supervisory organs and discipline inspection commissions and delegate more effective actual powers to these two organs so that they can genuinely and effectively exercise supervisory power in practical work. Moreover, it is necessary to promote inner-party democracy and improve the system of inner-party democratic life so that our party can bring into full play the force of organization and effectively urge party members to consciously observe party rules and discipline. Second, in the society as a whole, it is necessary to place party members under the strict supervision of the people in various forms and through various channels. Conscientious efforts should be made to listen to the views of the masses, to encourage them to supervise party work and evaluate party members and cadres in various forms and through various channels. Here, we should also pay particular attention to bringing into play the supervisory role of the news media. We should use this form of supervision to develop the powerful force of public opinion in order to rectify unhealthy practices and corrupt phenomena and ensure that party building can be conducted more satisfactorily and that the party can keep alive its youthful vigor.

Third, it is necessary to enforce party discipline and persist in strictly administering the party. Those degenerate elements who discredit the party and undermine the people's cause must be given disciplinary actions according to the merits of each case. Only in this way can we ensure party purity organizationally. A crucial issue in strictly administering the party is to set stricter demands on leading party cadres. With regard to party members working in party and government organs, especially those party members taking up principal leading work, it is necessary to work out stricter rules and



regulations so that, in work and practice, leading cadres at all levels will become models in observing the Constitution and the law, in strictly abiding by party regulations and discipline, and in fulfilling their work obligations. Those party member cadres who are incompetent or violate laws and discipline should be dealt with according to the merits of each case.

Strictly administering the party is a long-term task, which should be realistically carried out along with the constant deepening of reform and opening up. On no account should we grasp it one moment and let it go the next. Only by persistently carrying it out can we build our party still better.

### **Reform, Reeducation Through Labor Viewed**

*HK2110013689 Beijing RENMIN RIBAO in Chinese  
13 Oct 89 p 5*

[Article by Jin Jian, vice minister of justice: "Reform Through Labor and Reeducation Through Labor Are Progressing in the Course of Reform"]

[Text] Since the 3d Plenary Session of the 13th CPC Central Committee, in the face of the new situation and as one of the important tools of the people's democratic dictatorship, the organs of reform through labor and of reeducation through labor have boldly made explorations, been determined to blaze new trails, promptly adjusted countermeasures, worked out a new target, gradually effected a series of important changes, and made a breakthrough in the remolding work so that the needs of socialist modernization in our country are met and the great ideology of Marxism concerning "remolding society, remolding man" is fully embodied in reform through labor and reeducation through labor in the new period.

According to incomplete statistics, over the past 10 years, all units of reform through labor and of reeducation through labor in the whole country have detained, accepted, and remolded convicts and people sentenced to reeducation through labor, totaling over 2 million, some 1 million of whom have returned to society. The rate of escape of the people sentenced to reeducation through labor and the rate of cases occurring in prisons have dropped by a wide margin, the proportion of the prisoners whose sentences are commuted or who are released on parole has increased by 3 percent, and some 500 units of reform through labor and reeducation through labor have set up special schools to educate and remold people. The quality of transformation has markedly improved, the rate of violating the law and committing a crime again has notably dropped, industrial and agricultural production in the units of reform through labor and of reeducation through labor has quickly developed, and the gross output value has increased by approximately 100 percent.

**In the administration of prisons and units of reform through labor and of reeducation through labor, the imperfect legal system gradually changes to the perfect legal system**

An organ of reform through labor is a special organ to administer penalty and each item of its work, including detention, supervision, lodging of a complaint, and releasing after serving a sentence, must have strict procedures provided by law, must be carried on according to the law, and must be done according to regulations. In the past, due to the facts that the legal system was not perfect enough or that although there were legal provisions, necessary supervisory and protective measures were lacked, the law was not enforced strictly enough, many loopholes appeared, and impartiality and solemnity in the enforcement of the law was affected. With the strengthening of the establishment of the state legal system, the regulations of the prison administration of our country begin being strengthened and perfected and a series of laws, regulations, rules, and systems have been formulated to guarantee the administration of penalty so that all aspects of work are put on the right course of the legal system. In view of the fact that the "PRC regulations of reform through labor" formulated in 1954 can hardly meet the needs of the new situation, in recent years, on the basis of summing up the previous 30-year experiences and lessons in supervision and remolding and absorbing the experiences in the prison administration of foreign countries, we have organized forces again to speed up drafting the law of supervising and remolding the prisoners. Reeducation through labor is a compulsive administrative measure and must be carried on strictly according to the law. Over the past few years, the regulations and system of reeducation through labor have been gradually perfected and the drafting of the law of reeducation through labor accelerated.

**In the targets of remolding, stress laid on remolding historical counterrevolutionary criminals changes to emphasis placed on remolding the general criminals violating the criminal law**

In the 1950's and 1960's, to defend and consolidate the young republic, a large number of counterrevolutionary elements that had historically committed a crime and were hostile to socialist New China and war criminals were sentenced to reform through labor. While punishing them, the organs of reform through labor of our country carried on difficult and meticulous reeducation and transformation work for them and transformed the majority of them into new people. This was called "a miracle." In the 1970's and 1980's, the targets of remolding changed very greatly. The counterrevolutionary criminals accounted for a tiny number while general criminals made up the great majority and were mostly young people.

They differ very greatly from the previous historical counterrevolutionary criminals in the aspects of psychology, ideology, and behavior with the marked characteristics of the times. Under the influence of decadent

bourgeois ideology, the great majority of them have vicious inflated egoism, lack spiritual ballast, love ease, hate work, and have a hazy concept of the legal system and a low moral standard and therefore, tend to commit a crime. In committing a crime, they display rashness, suddenness, and even cruelty; whereas, they have lively thinking, extroversion, and relatively strong plasticity and are liable to be remolded. So long as guidance is given well, the great majority of them can be remolded well. In the light of these new changes and characteristics, in reform through labor, it is necessary to emphasize the principle of "transformation first, production second" and to place education and transformation above everything else; in reeducation through labor, it is essential to resolutely implement the principle of education, helping a misguided and erring person to change by persuasion, and redemption, with the focus on redemption. In management and education, we must make efforts to change our concepts, correct the simple and rude method at all times, and replace it with strict, civilized, and scientific management and patient and meticulous education and transformation with an aim in mind.

**In management, the rule of thumb gradually changes to a standardized and scientific method**

Over the past few years, the units of reform through labor and of reeducation through labor have implemented the principle of exercising strict, civilized, scientific, and direct management according to the law; they have completely implemented the responsibility system for management by objective, have had short-term and long-term objectives in prison administration, education, transformation, daily life, and public health, ensured that each aspect of work is carried out by people, especially implemented a hundred-mark examination system for the prisoners and people sentenced to reeducation through labor, calculated the reward according to the marks, and commuted a sentence and reduced a term of imprisonment according to the law. In the aspect of education, they have also altered the previous situation in adopting a piecemeal approach. Since the units of reform through labor and reeducation through labor set up the special schools in 1984, they have quickly gone systematic and standardized, persistently regarded education and education in the legal system based on the four cardinal principles as the core, placed emphasis on vocational and technical education, and taken cultural education as the foundation. To prevent interaction among prisoners, marked achievements have been scored in setting a higher aim of education, making education more scientific and effective, exercising management at every level, and giving particular education to particular types of prisoners.

**In education and transformation, the past basically closed-type prison education and transformation changes to the open-type education and transformation by mobilizing the social forces to make concerted efforts, with the focus on prison education and transformation**

Pushed forward by reform and opening up, the prisons and units of reeducation through labor have proposed that the transformation work should develop in all directions, social understanding and support of the work of reform through labor and reeducation through labor should be enhanced, and the social forces in all aspects should be mobilized to help educate the prisoners and people sentenced to reeducation through labor at many levels, through many channels, and in many forms. Over the past few years, prisons and units of reeducation through labor and the departments concerned in society have signed an agreement on assistance in education; they have asked party and government organs at all levels, the departments concerned, well-known personages in society, and heroic model figures to inspect the prisons and units of reeducation through labor, to give guidance, to make reports, and to help them resolve practical difficulties and problems; they have deliberately organized the family members of prisoners and people sentenced to reeducation through labor to visit prisoners of reeducation through labor and to admonish the prisoners and people sentenced to reeducation through labor; they have invited models that were already transformed well to their original units to talk about their experiences in transformation; they have organized prisoners and people subject to reeducation through labor to go out of the prisons to view and understand the achievements in socialist construction and so on.

At present, the bureaus of reform through labor, some 400 units of reform through labor, and over 100 units of reeducation through labor of 20 provinces, municipalities, and autonomous regions and local governments and departments and units concerned have signed agreements on joint assistance in education, totaling more than 100,000 copies, and some 200,000 prisoners and people subject to reeducation through labor are involved in these agreements on joint assistance in education. The activities of joint assistance in education were carried out on approximately 10,000 occasions and a situation in joint administration and comprehensive management inside and outside the great walls has taken shape.

**In production from reform through labor and reeducation through labor, the product economy changes to the planned commodity economy**

A very large part of the convicts and people subject to reeducation through labor committed crimes due to the fact that they had loved ease and hated work and under the influence of some decadent ideology in society. It is, therefore, extremely necessary to organize them to take part in productive labor. 1) Through labor, they can be prompted to transform their ideology, give up bad habits, establish the concept of labor and the concept of organization and discipline, and learn the necessary labor skills so as to create favorable conditions for them to return to society; 2) the convicts and people subject to reeducation through labor that have capacity for labor are organized to carry on productive labor so that the

state financial burdens can be alleviated. While organizing the convicts and people subject to reeducation through labor to participate in productive labor, we must not regard them as hard labor or cheap labor but must have a clear and definite corrective aim, a rational plan, civilized management, moderate labor intensity, and necessary measures for safety protection. When the product economy has been changing to the planned commodity economy in our country over the past few years, the economy of reform through labor and reeducation through labor suits this change so that production can develop very greatly. The scale of production, operation, and management have been expanded and improved fairly well, a large amount of investment has been made successively, some 600 industrial and agricultural production units in reform through labor and reeducation through labor have carried on technical transformation and expansion work and built a number of production projects. In particular, these units have implemented a "transformation and production contract responsibility system" and taken a new road of enterprise management in reform through labor and reeducation through labor. The capacity for production and management level have been quickly enhanced, the industrial and agricultural output value has increased by a wide margin, a large number of advanced enterprises have emerged, and a large number of famous and quality products have been produced. Of them, 24 are the state second grade enterprises, 32 are the advanced enterprises at the provincial level, 36 are the state quality products, and some 300 are ministerial and provincial quality products.

#### Official Addresses Family Planning Forum

OW2110060189 Beijing XINHUA Domestic Service  
in Chinese 1527 GMT 17 Oct 89

[By reporter Yu Changhong (0060 7022 3163): "Local Broadcast News Service"]

[Excerpts] Hangzhou, 17 Oct (XINHUA)—Xu Weicheng (1776 1919 6134), deputy director of the Propaganda Department of the CPC Central Committee, pointed out today: In publicizing family planning, it is necessary to vigorously conduct education about the situation in our country. People will really understand and support the party's policy of controlling the population and improving its quality only when they clearly realize the fact that our country has a large population but a weak economic foundation and that our per capita farmland and natural resources are relatively insufficient. Only then will they conscientiously practice family planning.

At a national forum on the work of publicizing family planning, Xu Weicheng called on the propaganda departments of party committees at all levels to place family planning in a position as a basic policy of the state, set it as an important item on their agenda, and make conscientious and persistent efforts to have people practice it. [passage omitted]

Xu Weicheng stressed: Family planning is in the interests of the people. In publicizing family planning, we should carry forward the spirit of serving the people. In so doing, we should state the reasons clearly and set requirements. This is important and necessary. However, to have people understand and accept such reasons and requirements, we should act according to the party's purpose of serving the people; in other words, we should serve the people while publicizing family planning.

The national forum on the work of publicizing family planning ended today. It was the second special meeting of its kind jointly sponsored by the Propaganda Department of the CPC Central Committee and the State Family Planning Commission since 1982. Peng Peiyun, minister in charge of the State Family Planning Commission, chaired today's session.

#### Archbishop Says 10 Priests Arrested

HK2310030989 Hong Kong HONGKONG STANDARD  
in English 23 Oct 89 p 1

[By Steven Wright]

[Text] More than 10 Roman Catholic priests have been arrested in northern China since the June 4 massacre, the exiled Archbishop of Guangzhou has revealed.

Archbishop Dominic Tang Yee-ming, who now lives in Hong Kong, said the arrests were part of a new clampdown on the activities of the Roman Catholic Church.

"Since June 4, the Chinese authorities have put a lot of pressure on Catholics loyal to the Vatican," Archbishop Tang told the HONGKONG STANDARD.

"The situation is particularly worrying in Hebei Province, where priests are no longer allowed to move freely between the villages to say mass."

Archbishop Tang said sources in China had informed him that more than 10 priests had been arrested in the province.

"I don't know what 'offences' they have committed or their whereabouts," said the 81-year-old archbishop.

"I assume they have been jailed. It is very difficult to get precise figures on how many priests have been arrested. But my sources, which are reliable, say the total exceeds 10."

He added: "I would urge all Catholics throughout the world to pray for the safety of the missing priests and missionaries."

Archbishop Tang said tension had mounted between Chinese authorities and the Catholic Church before June 4.

"In many ways, the Roman Catholic Church is just another victim of the general suppression of people in China," he said.

Father Bernard Shields, a Hong Kong-based Catholic priest who has been following religious affairs in China for some years, was unaware of the arrests.

"Very little has been said about religious matters in China since the June 4 massacre.

"But the authorities have, in general, clamped down on the people and you would imagine the Roman Catholic Church to be one of the victims," he said.

"Although Roman Catholics are still put under a great deal of pressure by the Chinese authorities, the situation is not nearly as bad as that which existed during the Cultural Revolution."

Earlier this year, the Hong Kong-based Union of Catholic Asia News (UCAN), claimed 350 Catholic worshippers were injured by armed police at a village near Shijiazhuang, 270 kilometres southwest of Beijing.

According to UCAN, police wielding electric rods and bricks assaulted 1,500 Catholics, accused of conducting "illegal activities", on April 18.

For Archbishop Tang, the present suppression of the Catholic Church is a chilling reminder of similar clampdowns which occurred during the 1950s.

During that era, he was among many Catholic priests and missionaries arrested and imprisoned by the Chinese authorities.

He was arrested in Guangzhou in 1958 because he refused to denounce the Vatican and support the state-approved Catholic Church.

Archbishop Tang was released in 1980 so he could have urgent treatment for cancer.

He recovered and in 1981 was appointed Archbishop of Guangzhou. But he has since been banned from returning to the city he calls his true home.

Meanwhile, the Vicar-General of Hong Kong, Father Garbriel Lam, yesterday said the church had a key role in the territory's future.

Father Lam, speaking to a 20,000 crowd at the annual Mission Sunday gathering at Hong Kong Stadium, said the church could help people face "the challenge of 1997".

Hong Kong was facing a number of problems, including the approach of 1997, the Vietnamese boat people crisis and the brain drain, said Father Lam. He said the church could help overcome these problems.

## Science & Technology

### Application of Technological Research Accelerated

HK1910005689 Beijing CHINA DAILY in English  
19 Oct 89 p 2

[By staff reporter Zhang Yuan]

[Text] China is trying to speed up the practical application of scientific research in high technology, CHINA DAILY has learned.

As part of the move, a national symposium is to be held in Southwest China's Guizhou Province on the development of high technology in mid-November.

Meanwhile, the Commission of Science, Technology and Industry for National Defence has decided to unveil a large number of confidential and top-secret scientific research results achieved in the defence industry by the end of this month. Jin Zhude, a bureau chief of the commission, told a press conference on Tuesday.

The 2,300 items of confidential research, involving aviation, spaceflight and nuclear technology, will be made public to serve the national economic construction effort, he said.

After the technology is freed, it will be applied directly in national economic development, he added.

Jin said that finding ways of making high technology research results serve the country's economic development has become a vital issue.

China, generally speaking, lags behind advanced countries by some 15 to 20 years in high technology development and implementation, he said.

It is because of this that the country should waste no time in making full use of its limited high technology research results and, in turn, ensure they contribute to the country's economic development.

Song Jian, minister of the State Science and Technology Commission, has written an inscription for the symposium, saying that "the hope of the Chinese nation lies in the establishment and development of its high technology industry".

Jin said that the symposium, organized by the China National Defence Scientific and Technological Information Centre, is an ideal event to focus on the country's future.

Meanwhile, he urged all levels of society to pay attention to high technology development.



**Largest Far East Telescope Completed***OW2310114289 Beijing XINHUA in English  
1031 GMT 23 Oct 89*

[Text] Beijing, October 23 (XINHUA)—Chinese astronomers are opening a new window on the stars: the biggest telescope in the Far East, which has taken 15 years to complete and has cost 25 million yuan (some 6.7 million U.S. dollars).

The Beijing Astronomical Observatory of the Chinese Academy of Sciences has recently installed the 92-ton instrument in a building perched on a 960-metre high peak of the Yanshan Mountains, which lie to the north of Beijing.

Professor Li Qibin, director of the observatory, says the observatory has good astronomical visibility and a clear atmosphere. More than 200 nights a year are clear for observation.

The optical telescope uses mirrors to collect and reflect light to take pictures of objects in the heavens. The largest mirror is 2.16 metres in diameter.

Professor Li, who is also president of the Chinese Astronomical Society, said at a press conference here today: "When the telescope goes into operation next month, it will enable us to see objects in space as far as 10 billion light years away. That means we could see a picture of the universe as old as 1 billion years."

In astronomy a light year is a unit of length equal to the distance that light travels in one year, which is about 5,878 billion miles.

The professor said the telescope "will help us to understand the universe's origin, formation, earlier evolution, and structure, as well as to search for planets like the earth in deep space."

Equipped with advanced camera and data-processing computers, the telescope will give pictures of 30 times greater detail than any other instrument in China.

Professor Li said: "The telescope is so powerful that it can see a burning matchstick in the dark 20,000 kilometers away."

The telescope will also be used to observe and study such heavenly phenomena as quasars in deep space. (quasars are distant celestial objects trillions of kilometers from Earth.)

"The telescope will be open to astronomers both from home and abroad," Li said. He expects some 100 Chinese and foreign scientists to come here each year for astronomical observation and experiments.

**Anniversary Activities Held in 'Atomic City'***HK2110023089 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0934 GMT 16 Oct 89*

[Report: "Grand Activities Were Held in the 'Atomic City' in the Western Part of China To Mark the 25th Anniversary of the Successful Explosion of China's First Atomic Bomb"—ZHONGGUO XINWEN SHE headline]

[Text] Urumqi, 16 Oct (ZHONGGUO XINWEN SHE)—At exactly 1500 today 25 years ago, China's first atomic bomb exploded over Lop Nur in the western part of China. It was the first milestone in the development of China's defense modernization. Today, grand commemorative activities are held in Malan, the "atomic city".

A person in the circle of China's science and technology for national defense pointed out: China has developed nuclear weapons completely for the purpose of self-defense and to enable the world to march toward peace. China is opposed to atomic bombs, but as Mao Zedong said, "we cannot do without them." Over the past 25 years, China has successively carried out over 30 nuclear tests in different ways and at different equivalents, such as atomic bombs, hydrogen bombs, missile-carried nuclear weapons, underground flat tunnels, and vertical shafts.

The successful experiments of various nuclear weapons over the past 20 years and more mark that the modernization of China's national defense has entered a new stage. It is also a major breakthrough in the history of China's science and technology for national defense and another milestone on the road of developing nuclear weapons through its own efforts.

This day after 25 years, we can see that where the first atomic bomb exploded, a great iron tower for installing the atomic bomb that year lay in disorder everywhere after being melted by the nuclear fire. Today, these pieces have become historic relics displayed to the later generations.

After the successful explosion of China's first atomic bomb, with the coordination of the departments concerned and in accordance with the test parameters, the technical team in charge of nuclear tests studied a series of technological and theoretical problems such as the dissemination pattern of shock waves following an atomic explosion, the phenomenon of fire balls, the distribution of light radiation, and the spread of nuclear radiation in the early stage, and thus laid a solid theoretical and practical foundation for the future nuclear experiments.

Since its organization and building 30 years ago, China's nuclear test base in Lop Nur has accumulated a lot of precious data for China to study nuclear technology and has simultaneously supplied a lot of professionals for various departments of China's economic construction. Currently, while finishing the duty of carrying out nuclear tests for the state, it has also developed some new

technologies in the service of economic construction to enable atomic energy to create wealth for mankind through peaceful use.

### **National Invention Exhibition Set for 3-12 Nov**

*OW1910153289 Beijing XINHUA in English  
1455 GMT 19 Oct 89*

[Text] Chengdu, October 19 (XINHUA)—With an average of 30,000 applications for patents a year since 1985, China has become one of the most inventive countries in the world, according to the organizing committee of the Fourth National Invention Exhibition which will be held here from November 3 to 12.

Since 1978, an increasing number of scientific and ordinary workers have been set to inventing, and many of their inventions have attained or surpassed advanced international standards. Many have won international prizes.

The Chinese Government has always encouraged ordinary people to invent. In 1978, the State Council republished the regulations on invention awards. At the same time, it introduced three national awards.

To protect the rights and interests of inventors, the Standing Committee of the National People's Congress issued the patent law in 1985. In the same year, the Invention Association of China was set up with the approval of the State Council.

At present, 36 nongovernmental associations of this kind have been formed in China. From 1985 to 1988, a total of 100,000 applications had been made for patents.

Three national exhibitions have been held since 1985 to encourage more scientific inventions for use in economic development.

In 1988, the China Invention Association held an international exhibition in Beijing. More than 900 inventions from nine countries were displayed.

The association has also been represented in international exhibitions in Yugoslavia, Switzerland, France and Canada, and has won 176 prizes.

### **National Newspapers Now Automated**

*OW2210020389 Beijing XINHUA in English  
0808 GMT 21 Oct 89*

[Text] Beijing, October 21 (XINHUA)—Major national Chinese newspapers have abandoned the centuries-old typesetting method and become computerized.

The PEOPLE'S DAILY, ECONOMIC DAILY, GUANGMING DAILY, LIBERATION ARMY'S DAILY, and SCIENCE AND TECHNOLOGY DAILY have adopted the five-stroke computer-input technique for Chinese characters, and also advanced computer composition and laser plate-making technology.

The five-stroke typing method was invented by the Chinese computer expert Wang Yongmin in 1983. It is now used in 75 percent of the country's computers.

With the new technology, a printing worker can type as many as 40,000 to 50,000 Chinese characters a day, 10 times more than before.

### **Helicopter Production Plans Accelerated**

*HK1110051789 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 0415 GMT 6 Oct 89*

[Dispatch: "China Vigorously Develops the Production of Helicopters"—ZHONGGUO TONGXUN SHE headline]

[Text] Beijing, 6 Oct (ZHONGGUO TONGXUN SHE)—An authoritative person of the China Helicopter Industry Company disclosed that China has now begun carrying out its plan for designing a 2-tonnage helicopter and trial-producing an 8-tonnage or greater tonnage helicopter.

The production of helicopters in China has developed greatly in recent years. Harbin Helicopter Plant has imported patent technology from Britain and up to the present, produced some 40 "Zhijiu" [helicopter 9] planes for which the technology is the newest in the 1980's. China Helicopter Design Research Institute in Jiangxi Province and Changhe Plane Factory have jointly trial-produced a "Zhiba" [helicopter 8] plane, which is the largest helicopter in China. According to this authoritative person, China will speed up importing technology for the development of the production of helicopters. By the year 2000, China's yearly output of helicopters will reach 1,000 and China will become a large country of helicopter production.

## **Economic & Agricultural**

### **Senior Official Confident About Foreign Trade**

*OW2210083589 Beijing XINHUA in English  
0758 GMT 22 Oct 89*

[Text] Beijing, October 22 (XINHUA)—Foreign sanctions would affect China's economy, but they will also bring losses to the countries that start them, according to a senior Chinese trade official, Shen added. [as received]

China would continue its efforts to develop economic and trade relations with all other countries and carry out all forms of economic and technical co-operation on the basis of equality and mutual benefit and for common development, said Shen Jueren, vice minister of foreign economic relations and trade (MOFERT) in an interview with CHINA DAILY over the weekend.

He expressed confidence in the steady development of the nation's foreign trade.

In fact, although some politicians in the West encouraged economic pressure on China, the business community has paid little heed.

According to MOFERT figures, China exported goods worth 31.25 billion U.S. dollars in the first nine months of this year, 4.1 percent more than the same period last year. Imports were a modest 26.65 billion U.S. dollars, making the total trade volume 57.9 billion U.S. dollars.

The customs figures, which usually differ from those of MOFERT, put the total trade volume at 78 billion U.S. dollars, including 36 billion U.S. dollars of export and 42 billion U.S. dollars of import in the first nine months.

During the same period, China approved 4,281 new foreign-funded firms, 16 percent more than the same period last year. The actual investment in these new firms hit two billion U.S. dollars.

To date, foreign-funded firms in China have totalled 20,278, with a pledged investment of 32.1 billion U.S. dollars and actual investment of 14.1 billion U.S. dollars.

#### **Commentator Discusses Enlivening of Enterprises**

*HK2110024089 Beijing RENMIN RIBAO in Chinese  
14 Oct 89 p 1*

[Commentator's article: "The 'National Team' Is the 'Backbone' of the Socialist Economy—On Improving and Enlivening Large and Medium-Sized Enterprises"]

[Text] One of the four major tasks put forward in the 4th Plenary Session of the 13th Central Committee was to continue to do a good job in improvement and rectification, persist in reform and opening up, and promote the steady and coordinated development of the economy. In his speech at the meeting to mark the 40th anniversary of the founding of the PRC, Jiang Zemin pointed out: "The large and medium-sized enterprises owned by the whole people are the main pillar of our nation's socialist modernization program and the main source of the state's financial income. Giving full play to their roles as a mainstay is of special and important significance to our nation's economic development."

However, the large and medium-sized enterprises are currently facing many difficulties in production and management. This has seriously hindered them from giving scope to their role as the backbone of the national economy. The question of fully understanding the significance of enlivening the large and medium-sized enterprises and vigorously enlivening the large and medium-sized enterprises has been realistically placed before the people.

There are 10,767 large and medium-sized enterprises under ownership by the whole people in our country, accounting for only 2 percent of the number of industrial enterprises with independent accounting in the whole nation, but their fixed assets account for more than 64 percent of the total fixed assets of industrial enterprises

in the whole nation, and the taxes and profits handed in by them account for 68 percent of the total taxes and profits handed in by the nation's industry. They are the nation's "gold treasury". Many of their products are "advanced products" with great varieties, quantities, complete grades, and high quality. Not only are they the major supplier of effective supply in the internal market but they are also the "national team," which joins in competition on the international markets. The state-owned large and medium-sized enterprises constitute the basic force of our nation's modern industries and the family property accumulated over a long time by the entire people, who have economized on food and clothing, and by the enterprise staff and workers' hard struggle. They have concentrated the most advanced technology and equipment in all industrial departments, and possess the most outstanding scientific and technical personnel, staff, and workers in various fields. In order to do this in economic work, we should first enliven state-owned large and medium-sized enterprises. Looking at the present situation, this has become a critical point in easing financial difficulties and the contradiction between demand and supply and preventing economy from sliding down. Viewed from a long-term point of view, this is related to the question of whether or not we can achieve the strategic objective of "comparative prosperity" by the end of this century and to enter the ranks of the countries with intermediate development by 2050's.

It was explicitly pointed out long ago in the "Decision on Reform of the Economic Structure" passed by the 3rd Plenary Session of the 12th Central Committee: "Socialism with Chinese characteristics should, first and foremost, be able to instill vitality to enterprises." "The key to restructuring the national economy, with the focus on the urban economy, is invigoration of enterprises, particularly the large and medium-sized enterprises owned by the whole people." In recent years, we have put in a lot of effort in enterprises reform in accordance with this guiding principle and have seen some effects. In particular, the widespread institution and gradual improvement of the contracted system has effectively aroused the enthusiasm of enterprises and the masses of staff and workers. However, judging according to the criteria that enterprises should be capable of managing on their own, assuming sole responsibility for their profits or losses, transforming and developing themselves, and keeping themselves within bounds, the number of large and medium-sized enterprises which have been enlivened is not large. Generally speaking, those enterprises which have relatively good vitality account for about 25 percent; those enterprises which have mediocre vitality account for 50 percent; and those enterprises which have low vitality account for 25 percent. This phenomenon is related to the fact that for a period of time, great importance has not been attached to enlivening large and medium-sized enterprises in our specific work; that



specific measures have not been adequately implemented; and that the work of enlivening the large and medium-sized enterprises has not been really put in a central position.

Ours is a socialist economy with public ownership as the main body, and the large and medium-sized enterprises mainly embody socialist public ownership. Whether large and medium-sized enterprises can be operated satisfactorily or enlivened is, in fact, related to the big question of whether the superiority of the socialist system can be realized and manifested. On the excuse that under the old system, the large and medium-sized enterprises and enterprises under public ownership had inadequate vitality, those engaging in bourgeois liberalization advocated the elimination of public ownership. We certainly cannot agree to this. We should bring into full play the superiority of public ownership inherent in the large and medium-sized enterprises by deepening the reform and creating conditions in a macroscopic way. In this way, the superiority of the socialist system will be more convincing and understood by more people. In so doing, we precisely embody the unity between the two basic points, namely, the four cardinal principles on the one hand and reform and opening up, on the other hand.

Whole-heartedly relying on the working class is a consistent guiding ideology of our party. Large and medium-sized enterprises are places where most industrial workers gather together. We can say that the ranks and staff and workers of large and medium-sized enterprises are a main body of China's working class. By improving and enlivening large and medium-sized enterprises, the enthusiasm and creativity of the vast numbers of workers and staff members in these enterprises can be brought into full play, their economic and political rights can have a more reliable and more practical guarantee, and the building of our democracy can have a stable basis. The staff and workers of large and medium-sized enterprises will also bring along and affect staff and workers in other enterprises. This can give better play to the role of our nation's working class as the masters. They will also play the role as a mainstay in the steady development of the economy, social stability, and unity, and the deepening and improvement of reform.

The "national team" is the "backbone" of the socialist economy. Improving and enlivening the large and medium-sized enterprises really have important significance in many aspects. We must enhance our understanding, make conscientious efforts, seriously sum up and spread the experience of the enterprises, which have been enlivened, and let the "national team" reach a new standard!

#### Further on State Statistics News Conference

##### Fixed Asset Investment Reduced

OW2110022289 Beijing XINHUA in English  
0817 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—China's swelling investment in fixed assets has been brought under control, thanks to a year of economic rectification and restructuring.

A spokesman for the State Statistics Bureau, Zhang Zhongji, announced at a press conference here this morning that during the first nine months this year China's capital construction projects fell by two-thirds on the figure for the same period last year.

He said: "The number of newly started capital building and renovation projects is only about 10,000."

During the first nine months of this year, investment in fixed assets by state enterprises fell to 126.1 billion yuan (about 33.98 billion U.S. dollars), or by 7.2 percent on the figure for the same period last year. Investment in capital construction was 77.4 billion yuan (about 20.8 billion U.S. dollars), a decrease of 5.2 percent.

Zhang Zhongji said investment in renovation projects was 34.9 billion yuan (about 9.4 billion U.S. dollars) for the period, down 17 percent on last year's figure.

Massive construction of meeting halls and office buildings has been controlled, with 2,500 projects eliminated or delayed. This may help to save an investment of 26 billion yuan (about seven billion U.S. dollars).

Through restructuring, the spokesman said, the structure of investment has been improved. Investment in energy, raw materials, transport, agriculture, culture and education has been increased.

Despite the economic austerity policy, China invested 33.6 billion yuan (about nine billion U.S. dollars) in the energy industry during the first nine months of this year, a rise of 5.3 percent over the figure for the same period last year.

Experts here say that reducing investment in fixed assets is crucial to cooling overall social demand, and that it has an immediate effect.

However, the experts point out that much work must still be done to reduce capital investment. They say: "Some projects haven't yet been halted, and others are in danger of starting again."

#### Market Slump Viewed

OW2110142989 Beijing XINHUA in English  
1524 GMT 20 Oct 89

[Text] Beijing October 20 (XINHUA)—The market slump which cropped up in the third quarter of this year is a short-term effect of China's national economic readjustment.

At a press conference today, Zhang Zhongji, spokesman for the State Statistics Bureau, attributed the slump to the abnormal panic buying in August and September last year, which resulted in a surge of retail sales as high as 38 percent.

The panic buying also led to stagnant sales of color TV sets, washing machines and some woolen fabrics, which dropped by up to 30 percent, Zhang said.



Besides, an increase in the interest rate of bank savings, inflation-adjusted savings, and fund raising and bond issuing activities of the government have in part absorbed purchasing power.

The spokesman also pointed out that China's efforts to build a clean government have greatly reduced the number of trips at public expense and lavish banquets, and cut down on similar squandering of public money.

To some extent, also, the slump was caused by the excessively high prices of some consumer goods.

However, Zhang said, the slump will not last long. The government has already taken measures in this regard, he added.

### **Grain Output May Reach 400 Million Tons**

HK2110004289 Beijing CHINA DAILY in English  
21 Oct 89 p 1

[By staff reporters Gu Chengwen and Zhang Yuan]

[Text] China's total grain output for this year is expected to reach 400 million tons, a 2-percent rise over last year, according to the State Statistical Bureau.

"This means an increase of less than 1 percent in per capita grain output—after this year's 1.4 percent population growth is taken into consideration," bureau spokesman Zhang Zhongji told reporters yesterday.

By the end of September, the state purchased 4.95 million tons of grain more than during the same period of last year.

Zhang said the production of meat and aquatic products, vegetables, fruit and silk cocoons were all proceeding better than in 1988.

Industrial output value in the first nine months of this year reached 961.7 billion yuan, an increase of 8.9 percent over the same period of 1988.

As a result, the gross national product for the nine months was estimated at 1.14 trillion yuan, 5 percent higher than for the same period of last year in real terms.

The production of energy, the short supplies of which handicapped the entire economy in recent years, received more investment than other industries this year and grew faster than the average for industries in general.

Other important industries such as steel, nonferrous metals, chemical raw materials, fertilizers and textiles overcame losses at the beginning of the year to register increases ranging from 3 to 22 percent.

Zhang said the state has gained tentative control over consumption, inflation bank loans and capital investment.

He attributed all these successes to the state's efforts to improve the economy.

But, at the same time, he admitted "there has been no major breakthrough in correcting the imbalance between total supply and total demand caused by the overheated economy of the past few years" and new problems have emerged.

The most prominent of these is the serious overstocking of products due to the slump in consumer demand.

The circulation of funds has been hindered as delays in meeting payments between enterprises became more frequent. This has undermined economic efficiency.

Zhang said that about 20 percent of the country's industries have suffered losses this year.

Overall industrial production in September rose only 0.9 percent over the same month last year.

Zhang disputed the notion that the slowdown of industrial growth indicates economic stagnation, saying "we should view the situation from a long-term standpoint."

Commenting on the differences between the growth rates of state-owned, collectively-owned and township industries—respectively 5.2 percent, 12.5 percent and 17.4 percent, Zhang said the gaps had narrowed since last year. [punctuation as received]

### **Experts Urge Greater Nuclear Power Development**

GW1810232089 Beijing XINHUA in English  
1439 GMT 18 Oct 89

[Text] Beijing October 18 (XINHUA)—Chinese experts said here today that more efforts should be poured into developing nuclear power in southeast China, which is the biggest region of energy consumption in the country but faces a serious shortage of energy resources.

At a seminar on natural gas and nuclear power development held here today, the experts stressed the necessity and feasibility of nuclear power development in this region.

Cheng Zhaobo, deputy chief manager of the China National Nuclear Corporation, said that each region of the country should develop a different kind of energy—such as hydropower in the southwest region, which is rich in water resources, thermal power in the northeast and northwest, where most of the coal mines in the country are located, and nuclear power in the southeast region, which is short of both water and coal resources.

Now, coal makes up 70 percent of the whole country's energy consumption structure.

Recent statistics show that the southeast provinces, Jiangsu, Fujian, Anhui, Zhejiang and Jiangxi, are short of 16 billion kwh of electricity each year due to the problem of coal transportation from northeast China.

But southeast China is rich in uranium resources; nearly 100 uranium deposits and six uranium mineral areas have been discovered, and five uranium mines developed.

The experts estimated that the known uranium resources in this region could supply eight nuclear power stations with a total capacity of 10 million kw until the end of this century.

According to a plan drawn up by the Ministry of Energy Resources, China will produce 30 billion kwh of nuclear electricity at the end of the year 2000 and build more nuclear power stations in south China in addition to the Qinshan and Daya Bay Nuclear Power Stations, both of which are under construction.

### Transportation Fare Hikes Reduce Passengers

OW2310021689 Beijing XINHUA in English  
0133 GMT 23 Oct 89

[Text] Beijing, October 23 (XINHUA)—The number of people traveling on trains and ships in China has declined dramatically since fare hikes came into effect last month, CHINA DAILY reported today.

The nation's 52,000-kilometer rail network has carried a daily volume of 2.5 to 2.6 million passengers since the 120-percent fare rise on September 5.

This is a drop of 700,000 to 800,000 rail travelers a day compared with the same period last year.

The reduced flow has almost assured every passenger of having a seat on the train, officials from the Ministry of Railways said.

Before, about 750,000 of the daily rail travelers had to stand all the way to their destinations during peak transport periods.

Rail workers have been urged to provide better service with the doubling of fares.

There were 2.41 million passengers on ships last month, a decline of 21.1 percent from September last year, the Ministry of Communications said.

On popular routes such as Shanghai-Wenzhou and Dalian-Yantai, however, the passenger load was almost the same as last year.

Some rail passengers switched to long-distance buses, whose fares have remained unchanged.

Highway passenger volume in Shandong, Henan, Jiangsu, Jiangxi, Anhui, and Sichuan Provinces rose sharply last month.

Since plane fares didn't change on the 71 major domestic air routes, the volume of air travelers was unaffected.

With the decline in passengers, rail and communication departments quickened their pace in freight transport last month.

Rail freight transport set a high record last month and early this month with a daily average loading capacity of 30,558 cars.

Shipping quotas for other key materials, such as grain, timber, ores, and agricultural materials, were surpassed the Rail Ministry announced.

### Doubts on Reform Goals Slow Production

HK2110011989 Hong Kong SOUTH CHINA  
MORNING POST in English 21 Oct 89 p 8

[From John Kohut in Beijing]

[Text] Chinese managers have slowed down production because of doubts about Beijing's commitment to economic reform, a senior Chinese official said yesterday.

Mr Zhang Zhongji, spokesman for the State Statistical Bureau, said one of the main reasons for the sharp fall-off in industrial output last month was that enterprise managers were still having doubts about the Government's policies.

"Some company managers have suspicions about the rectification (austerity) program and certain policies aimed at cleaning up the Government," he said.

As a result, they dare not manage their production boldly and with a free hand, Mr Zhang said at a press conference to report on economic performance for the first nine months of the year.

Mr Zhang disclosed a sharp fall off in economic growth for September, raising fears among Western economists that the Government's austerity policies might plunge the country into recession.

National industrial output in September this year was 109 billion yuan (HK\$228.9 billion), a mere 0.9 percent increase over the same month in 1988. Light industrial output fell 1.8 percent.

Mr Zhang attributed the poor September growth figures in part to the slump in consumer demand, mounting inventories and problems for companies in securing sufficient supplies of raw materials.

But he admitted that non-economic factors, namely, the attitudes of factory managers, had been an important factor.

"Some company managers are afraid the contract responsibility system will be changed," Mr Zhang said.

"In handling his relationship with the party committee, the manager feels there are some difficulties," he said.

The contract responsibility system, which gave managers greater power to run the affairs of their own enterprises, was a cornerstone of the economic reforms of ousted Communist Party chief Zhao Ziyang.

According to analysts, company managers complain about interference from party functionaries and the new stress on central planning, saying the state cannot guarantee supplies or a ready market for their goods.

Mr Zhang also said that while inflation was declining, there had been no major breakthroughs in resolving the huge gaps between supply and demand, and the Government was unlikely to meet its target of cutting inflation down to 10 percent by the end of the year.

Retail prices from January to September 1989 were up 22 percent from the average for the same period of 1988. However, inflation was slowing down, Mr Zhang said. Retail prices last month were a mere 15.2 percent over the same period last year.

Capital construction, which had been fuelling China's inflation, was also down sharply. The number of new construction projects undertaken by state-owned companies was 10,000, a fall of two-thirds from the first three quarters of 1988.

While China's economy still faced a host of problems, Mr Zhang said the Government's austerity program had worked to cool down the country's overheated economy, which has grown at more than 10 percent a year throughout this decade, leading to high inflation and shortages of raw materials.

Gross national product in the first nine months of this year rose to 1.14 trillion yuan (HK\$2.39 trillion), a five percent increase over the same period last year.

The performance of the state sector lagged far behind that of collective and small village enterprises.

About 20 percent of state enterprises had made losses. These losses were up a startling 123 percent over the same period in 1988, Mr Zhang said.

### Official Reaffirms Enterprise Restructuring

OW2110181889 Beijing XINHUA in English  
1619 GMT 21 Oct 89

[Text] Beijing, October 21 (XINHUA)—Ren Zhonglin, director of the State Administration for Industry and Commerce, reaffirmed here today the government's determination to cut back on the number of companies.

He told a meeting of business officials that, despite efforts since October last year, results in the rectification of companies still remain unsatisfactory because some measures have not been strong enough.

Ren said that the focus of current efforts should be laid on closing or merging companies run by party and government institutions, and non-official social organizations.

Financial companies and companies engaged in commercial wholesale and foreign trade, and material supplies also fall into this category Ren added.

Annual inspection and re-registration must be done before business licenses are issued to the companies that are allowed to keep their businesses.

Ren called for stricter approval of business scopes and a careful re-appraisal of companies using "China" or "international" in their names.

Companies that do not have the required capital must be changed into other forms of enterprise, while privately-invested firms must not be registered as state-owned or collective businesses.

### Article Discusses Contract System Problems

OW2210061289 Beijing GUANGMING RIBAO  
in Chinese 23 Sep 89 p 3

[Article by Lin Hanchuan (2651 3352 1557) and Xiong Shengxu (3574 0524 4872): "The Problems Faced by the Contract Responsibility System and the Ways To Deal With Those Problems"]

[Text] The establishment of the policy of improving the economic environment and rectifying the economic order, as well as changes in various outside factors, have created many new problems for the contract responsibility system which must be studied and solved. The problems mainly include the following:

1. The decisionmaking power of contracted enterprises is infringed upon in the course of improving the economic environment and rectifying the economic order. In improving the economic environment and rectifying the economic order, we must strengthen macrocontrol. Some people have charged enterprises with being the cause of the overheated economy, and hence have taken back the power delegated to those enterprises in accordance with the "Enterprise Law" and "Regulations Governing the Contract Responsibility System." This has seriously limited enterprises' ability to carry out self-transformation, accumulate funds, and develop through their own efforts. Some departments have even stopped linking the total amount of wages to total economic results, thus seriously dampening the enthusiasm of enterprises and their staff members and workers.

2. The merging of enterprises and the transfer of ownership have caused new problems for the contract responsibility system. In the process of merging, enterprises which have used their own funds to purchase the property of bankrupt enterprises are unsure as to whether or not they have to increase the amount of profits to be turned over to the state. The vague situation has reduced the initiative of enterprises for purchasing additional properties. After merging, an enterprise being merged and an enterprise which has merged with another enterprise both face the unanswered questions of whether or not the original contract remains valid and whether or not the contents of the contract should be revised.

3. The establishment of enterprise groups has affected the development of contracted enterprises. Forming enterprise groups is an effective way to improve the structure of our country's enterprises. However, during the contract period, the main task of contracted enterprises is to fulfill the contracted targets. Improper handling of the relations



between the formation of enterprise groups and the fulfillment of contracted targets will directly influence the development of contracted enterprises.

4. A change in the operational environment has caused difficulties in the normal operation of contracted enterprises. Although contracted enterprises can carry out their tasks according to contracts, the change in social environment, the change in leadership, the merging or dissolution of relevant departments, and the enforcement of new economic policies may all influence the accomplishment of contracts.

In light of the above problems faced by the contract responsibility system, we are convinced that the following measures should be adopted to deal with those problems:

The first solution is to consider the infringement upon the decisionmaking power of enterprises as a main hurdle to be tackled when we implement the policy of improving the economic environment and rectifying the economic order. The central goal of reform is to strengthen the vitality of enterprises. The main point of "relaxation" is to strengthen the decisionmaking power of enterprises. There is no logical relationship between relaxation, disorder, and tightening. It is unfair to consider "disorder" as being caused by the activities of enterprises. We should know that contracted enterprises are also victims of "disorder." Owing to the increase in the prices of raw materials, enterprises have to increase their expenditure. Owing to the new burden of subsidizing nonstaple food products for staff members and workers, enterprises' wage costs have increased. The double digit increase in the commodity price index has greatly reduced enterprises' economic results. The present disorder in economic life is mainly due to the overheated economy, caused by the expansion of the investment scale and consumption funds. It is definitely not due to the greater decisionmaking power of enterprises. The practice in the past several years has proved that stabilizing, improving, and developing the contract responsibility system is an effective way to increase economic results. In order to promote and perfect the contract responsibility system in the course of improving the economic environment and rectifying the economic order, we are convinced that actions which infringe upon the decisionmaking power of enterprises in violation of the "Enterprise Law" and the "Regulations Governing the Contract Responsibility System" should be considered main hurdles to be tackled in improving the economic environment and rectifying the economic order.

The second solution is to improve the contract responsibility system mechanism and to strengthen enterprises' ability to resist unfavorable factors. The adjustment of prices for certain energy sources and raw materials has clearly increased the pressure on contracted enterprises. In a long-range point of view, the relaxation of price control and the development of the role of adjustment through the use of the price mechanism are still important trends. The employment of the price mechanism

also calls for swift measures to be taken by enterprises toward any sign of price changes. We must strengthen enterprises' budget control while carrying out price reform. Enterprises should be given authority to assume full responsibility for profits and losses and strengthen their capability to resist an adverse environment through improving their contract mechanism. Improvements should include the following:

Improvements must: 1) improve the labor structure and raise the work efficiency; 2) adopt a competitive system and select outstanding operators; 3) allow enterprises to improve the accounting system and to adopt the bank's mechanism of supervision, control, credit, and accounting; and 4) promote mergers and association and improve the operation of enterprises.

The third solution is to establish an enterprise mechanism of assuming full responsibility for profits and losses, in order to develop the role of the contract responsibility system in the course of improving the economic environment and rectifying the economic order. Only when enterprises truly assume full responsibility for their profits and losses can they adapt to the competitive market following the relaxation of price control and refrain from raising prices for their products. In order to change from enterprises assuming responsibility for their profits to enterprises assuming full responsibility for their profits and losses, we can adopt the following two measures: One is to change from a single person assuming responsibility for an enterprise to all members of the enterprise assuming responsibility. In other words, we change from one person taking a risk to joint risk by directors, staff members, and workers, as well as the enterprise itself. Another measure is to let the directors use certain properties as collateral and to link the total wages of staff members and workers with the contracted target. The enterprise also uses its own funds as collateral. If the enterprise fulfills its contracted goal, the directors, staff members, and workers, as well as the enterprise itself, share the profits. If the enterprise suffers losses, the properties of the directors will first be used to cover losses, followed by income of staff members and workers. If they cannot cover the losses, the funds of the enterprise will be used to cover losses. If losses still cannot be covered, the enterprises will then have to declare bankruptcy.

The fourth solution is to implement the policy of "providing ample water for fish-raising" in order to create wealth for enterprises. The present contradiction between financial and tax policy and the contract responsibility system is primarily due to the lack of a clear-cut change from the system of having enterprises turning over profits to the state to the system of having enterprises pay taxes to the state. After enterprises turn over a portion of profits to the state, financial and tax departments use a higher tax rate or collect multiple taxes to tax certain profits of enterprises in excess of their contracted targets. This policy of draining water to catch fish has dampened enterprises' enthusiasm and decreased their ability to accumulate funds. Therefore,



in order to perfect the contract responsibility system and develop the role of the system in the course of improving the economic environment and rectifying the economic order, we must foster the thinking of "storing wealth in enterprises" and implement the financial and tax policy of "providing ample water for fish-raising."

The fifth solution is to do a good job in improving the internal management of contracted enterprises. In order to cope with outside influences, contracted enterprises must grasp the improvement of their own management and strengthen their vitality. We should stress the following four things: First, carrying out the contracted responsibility system at all levels and insuring the fulfillment of contracted targets; second, letting all people know the contents of contracts and properly handling the distribution of profits after fulfilling contracted targets; third, following the principle of "increasing efficiency with simpler administration" and carrying out reform of management organs to strengthen the administrative command system; and fourth, integrating reform with the improvement of enterprise management and implementing the "optimum work method," "cost control method," and other appropriate management methods.

#### Centralization To Leave Economic Zones Intact

HK2310031989 Hong Kong HONGKONG STANDARD  
in English 23 Oct 89 p 7

[By Fan Cheuk-wan]

[Text] China's coastal provinces and special economic zones are expected to remain relatively untouched in a major centralisation drive aimed at cooling the overheated economy and curbing run-away inflation.

The central government will allow the better-developed regions to introduce more progressive economic reforms to strengthen their role in China's open-door policy.

According to the latest issue of the pro-Beijing weekly, ECONOMIC REPORTER, to be published today, the Chinese Government has endorsed a major economic adjustment.

"The central government has decided to recentralise power from the local authorities, diminish the role of market and re-strengthen the central planning mechanism," the weekly reported.

The adjustment policies will reverse the former market-oriented direction of economic reforms advocated by ousted party chief, Mr Zhao Ziyang.

Quoting informed Chinese sources, the weekly forecast a major adjustment in the relationship between central and local authorities.

"The local governments' financial power over taxation, credits and loans will be largely shrunk," it said.

"Their rights to approve investment projects and to allocate strategic raw materials; management power over

foreign trade, foreign currency and foreign currency and foreign debts; as well as the adjustment of wages and bonuses, will be grabbed back by the central government," it said.

"The central authorities have also been considering imposition of new items of taxes and increasing the percentage of the local governments' annual revenue to be submitted to the central government."

The weekly disclosed that Beijing planned to substantially increase local governments' financial contribution to the central government, raising central financial revenue to 60 percent of the national total.

"The central organs such as the Ministry of Finance, Central Planning Commission, the People's Bank of China, the Ministry of Materials and the Ministry of Foreign Economic Relations and Trade will be strengthened to reassert central control over the economy," it said.

However, the weekly noted that special treatment would be given to the coastal areas and special economic zones.

"Provinces like Hainan and Guangdong and other SEZs will remain relatively intact under the recentralisation drive," it said.

"They will even be allowed to introduce certain progressive reform policies in order to widen the open-door policy."

"Such progressive reform policies, like the shareholding system, stock exchange market and privatisation of housing, should be restricted to a certain scope," it said in apparent reference to Guangdong's recent capitalist-style reforms.

It said the central government had been cautious about these policies and had decided not to promote the Guangdong model in other parts of China.

On enterprise reform, the weekly said Beijing had decided to strengthen the role of party groups and weaken the leadership of managers in the factories.

"Leading party groups will once again exert their 'core' leadership function and reassert the decision-making power over personnel management," it said.

"Political education on workers will be strengthened in order to mobilise their productive initiative. The phenomenon of excessive salaries undermining the enterprises' profits will be terminated," it said.

"For those enterprises which have made an excessive profit, they will be asked to submit a greater amount of annual revenue to the central government. A stricter control will be imposed on the salary and bonus increase of enterprises."

In resource allocation, large and middle-scale state-owned enterprises would be favoured over collectively-owned and privately-owned enterprises.

## Official Urges Solution to Unfair Wage Scales

HK2110004489 Beijing CHINA DAILY in English  
21 Oct 89 p 4

[By Chen Xiao]

[Text] The unbalanced wage scales for mental and physical labour have been greatly changed by wage reform, said Weng Tianzheng, deputy director of the Bureau of Wages, Ministry of Labour.

"In enterprises, the original wide gap—one side effect of reform—between intellectuals wages and those of manual workers has been narrowing," the director said in an interview with CHINA DAILY.

The intellectuals, acting as entrepreneurs and technical personnel in factories, now earn more bonuses than several years ago by getting workers to reach their production goals.

"The problem has also been partly solved in institutions, such as cultural, educational, medical and scientific research institutes," said Lu Shuying, a department chief of the Personnel Ministry. "But the wages of government functionaries are still the lowest."

An investigation showed that each staff member of Beijing Hospital earned 560 yuan more in 1988 than in 1987. And the average income of teachers at 13 universities that are directly under the State Education Commission rose 596 yuan last year.

"We owe the improvement to wage reform and the policies on scholars," Wang said.

The wage reform in enterprises can be divided into three stages, she said. The government reinstituted the system of bonuses in the first two stages from 1979 to 1984. During the third phase, starting in 1985, the policy of linking workers' income to their factories' economic results has been successful.

The position of technical personnel in enterprises is getting more important, because the workers have pinned their hopes on them for surpassing production quotas to get more bonuses. "As a rule, they have a higher income than ordinary workers," Lu said.

A survey conducted earlier this year showed that 39 technical and managerial personnel were among the 50 employees earning the highest income in a factory in Beijing.

Besides, intellectuals are representing the scientific and technical forces—the hope of a country. Education will be stagnant, science and technology will lag behind, and the revival of nationhood will melt into thin air if the intellectuals don't get what they deserve.

China has suffered a great deal over this point. Therefore, with a view to the nation's interest, the government should see to it that intellectuals live at the average level, Lu said.

The central government has adopted 15 preferential measures to increase the wages and welfare of intellectuals in state institutions in the past three years, she said.

The professional positions appointment system, introduced in 1986 as one measure of wage reform, has benefited more than 4.3 million technical personnel, about 36 percent of the total.

At the end of 1986, the wages of 10 percent of senior engineers who had made outstanding contributions were raised considerably.

In 1987, the wages of more than 6 million teachers of middle and elementary school were increased by 10 percent, and nurses also received 10 percent more in wages in 1988, it was reported.

## Office Workers

"Moreover, the government encourages the intellectuals to get more income by working in their spare time," said Lu of the Personnel Ministry.

However, the staff members of government offices are still receiving very low income, she said.

Statistics gathered last January by Beijing Municipality revealed that the average wage of government officials was only 128 yuan per month, while that of workers engaged in heavy work, such as coal hewers, was 228 yuan per month.

"The preferential treatment towards intellectuals seems not to include office workers," Lu said. In some leaders' minds, the concept of intellectuals only refers to such professionals as teachers, engineers, actors and entrepreneurs.

Officials participate in managing public affairs, she said. They help the country develop on a normal track. "Therefore, their income should be linked with the national income and labour productivity," Lu suggested. "Thus, their initiative can be brought into full play." To solve the problem, first of all, the authorities at all levels should pay more attention to the life of government functionaries, she said.

In society as a whole, a great unfair gap in social distribution still exists. In General Secretary Jiang Zemin's address on September 29, he said the new unfairness is manifested mainly in the disparity between the income of the broad ranks of wage-earning workers, staff members and cadres on the one hand, and the personnel of business firms in non-productive fields, people having "secondary jobs," private enterprise owners and self-employed businessmen on the other.

Chinese doctors complain that their scalpels earn them less money than the barbers' razors, teachers grumble that they fail to earn as much as pedlars and scientific researchers have to haggle over every ounce of food they buy in the markets.

Problems of distribution must be solved; otherwise, the country's development will be delayed, the two officials said.

### **Policies on Rural Enterprises Readjusted**

*HK2110004089 Beijing CHINA DAILY in English  
21 Oct 89 p 1*

[By staff reporter Li Hong]

[Text] China will continue its policy of revitalizing its economy by developing rural industry, a senior agricultural official said yesterday.

"These enterprises have broken new ground in promoting the country's industrialization with Chinese characteristics," Zhang Yi, vice-director of the Township Enterprises Management Department of the Ministry of Agriculture, told CHINA DAILY.

However, the government is readjusting its policies toward rural industries during the current rectification drive, he said.

For instance, although private enterprises will be allowed to remain in business, "they will have to depend on their own economic strength," Zhang said.

Collectively-run enterprises will continue to receive government loans, he said.

When told that some Western reporters have suggested that the Chinese Government might "put the squeeze on the country's entrepreneurs" and restrict township enterprises, Zhang said that notion was "totally groundless."

He cited Party General Secretary Jiang Zemin's recent statement that rural factories and private enterprises would be allowed to continue.

Township enterprises have already become a "main pillar" of China's rural economy and an important part of its national economy as well, Zhang said.

According to Zhang, the state's readjustment policies aim at guiding the smooth development of the 18.8 million township enterprises.

"The state will not do away with all the country's rural enterprises indiscriminately," Zhang said.

Zhang listed several proposals formulated by the Ministry of Agriculture to guide the readjustment over the next three years.

Inefficient, mismanaged and money-losing enterprises which have been squandering energy and raw materials and causing serious pollution will be closed immediately.

The pace of rural industrial development will be slowed to coordinate it with the development of agriculture and state-owned industry and to comply with each enterprise's productivity.

Investment in capital construction will be cut back and new enterprises be strictly curtailed. Exceptions to this rule will be export-oriented enterprises, enterprises producing energy and raw materials, enterprises affiliated with large, state-owned enterprises and enterprises serving people's daily life.

### **Bank Supports Technical Upgrade Projects**

*OW2310113689 Beijing XINHUA in English  
0837 GMT 23 Oct 89*

[Text] Beijing, October 23 (XINHUA)—A total of 16,852 technical upgrading projects have been completed and gone into operation with loans from the People's Construction Bank of China over the past three years, today's "FINANCIAL NEWS" reported.

The Beijing-based newspaper said the bank loaned a total of 43.75 billion yuan (about 11.82 billion U.S. dollars) to modernize enterprises between 1980 and 88.

In addition, the bank pays attention to helping industrial enterprises import advanced technology.

According to statistics, the bank has issued more than 500 million yuan in loans to help the machinery industry import 150 advanced manufacturing and technical projects since 1980.

### **First Catalog Issued for Private Sector**

*OW2310085089 Beijing XINHUA in English  
1616 GMT 21 Oct 89*

[Text] Beijing, October 21 (XINHUA)—China will issue its first industry and commodity catalog for the private sector in bid to ensure its sustained growth and give full play to its role as a supplement to the state-owned economy.

This was revealed by Ren Zhonglin, director of the State Administration for Industry and Commerce, at a forum that ended here today.

The catalog, Ren said, has already been discussed at the forum and will be sent to the State Council for approval after revision. He did not specify the contents of the catalog.

Ren called for all departments of industry and commerce to guide the private sector and protect its legal rights and interests at the same time.

By the end of last June, China had 12.34 million private industrial and commercial businesses, which employed 19.43 million people. Both were less than the figures for last year, Ren added.

According to the regulations of the administration, a private company is one that employs more than eight workers. By the end of last June, 66,500 such businesses were registered in China, with a total employment of 1.08 million. Praising the private sector for its role as a supplement to the state-owned and collective economy

and in invigorating the country's markets and production, Ren said that it also employs millions of urban and rural residents and earns billions of yuan in taxes for the state.

Most individual businesses have been law-abiding, Ren said, but a small number of them have broken the law and aroused public dissatisfaction.

To tackle the problem, he said, local authorities should strengthen the supervision and management of the sector, and give better play to its positive role and restrict its negative effects.

Ren stressed that at present the government should give priority to the rectification of unlawful speculation in much needed raw materials, smuggling and pornographic publications.

Ren also asked the taxation authorities to strengthen the collection of taxes from the private sector to change the situation of unfair distribution of social property.

The government should check the licenses of individual and private businesses and resolutely ban the unlicensed ones, Ren said.

#### Major Points of Agriculture Policy Outlined

OW1410042989 Beijing XINHUA Domestic Service in Chinese 1305 GMT 12 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 12 Oct (XINHUA)—The socialist economic structure with Chinese characteristics is now in its initial stage in China's rural areas. This will ensure the continued progress and prosperity of China's agriculture.

The socialist economic structure with Chinese characteristics covers the following major points:

First, while adhering to the essential prerequisite of making socialist public ownership a major economic form, we allow multiformed economic elements, including individual economy and privately run economy, to exist and develop.

Second, a collective economy allows business management to take diversified forms and styles. The contract system of responsibility linked to production will be practiced widely.

Third, peasants will be given greater scope to perform. The work of rural enterprises is not just confined to planting, but encompasses two additional aspects: 1) macro-agriculture, including forestry, animal husbandry, fishery, and sideline production, and 2) nonagricultural enterprises, including township enterprises, business, transportation, construction, and service.

Fourth, while persisting in state planning, the planned economy and market regulation are combined to improve the government's control of the rural economy by means of economy, administration, and law.

Fifth, in terms of technology policy, the old road of "petrol-oriented agriculture" no longer will be followed. Instead, emphasis will be put on both organic and nonorganic substances. Technology and labor intensive, rather than capital intensive, enterprises will play a major role.

Sixth, insisting in the simultaneous implementation of the four cardinal principles and both material and cultural progress.

#### Commerce Minister on Autumn Crop Procurement

OW2010110889 Beijing Domestic Service in Mandarin 2230 GMT 16 Oct 89

[By reporter Cai Xiaoling, from the "News and Press Review" program]

[Text] The harvest of autumn grain and oil-bearing crops this year is in progress. The procurement of cotton is also under way across the country. This reporter learned from the national telephone conference for the procurement of grain, cotton, and oil-bearing crops held last night that the total grain production in China this year is forecast to surpass that of last year, while cotton production is expected to be the same, and that of oil-bearing crops may drop a little.

Commerce Minister Hu Ping said: The situation pertaining to the procurement of grain, cotton, and oil-bearing crop this year is good. Regardless of whether areas enjoyed a bumper harvest, poor harvest, or suffered minor disasters, they must all take the overall situation into consideration, and ensure that the procurement targets for grain and oil-bearing crops are fulfilled or surpassed.

Hu Ping said: We must tighten control over the market for grain, cotton, and oil-bearing crops. All localities should take decisive measures to firmly prevent panic buying and inflating prices. We must not allow the outbreak of a price war in grain, cotton, and oil-bearing crops.

Hu Ping hoped that all localities will take advantage of the present busy season of autumn sowing and harvest to relay to the peasants the news concerning the State Council's decision to raise the procurement price of cotton and oil-bearing crops next year, and to encourage them to plant more of these crops.

At the telephone conference, Qiu Qing, vice president of the People's Bank of China, said: To ensure the accomplishment of the procurement mission, in addition to organizing and pooling the funds of various departments and the specialized banks to procure agricultural and sideline products, the People's Bank of China has specially set aside 20 billion yuan for seasonal short-term loans in the hope of avoiding the issuing of promissory notes because of problems in diverting bank funds.



### State Council To Raise Cotton Prices

OW2310021489 Beijing XINHUA in English  
0144 GMT 23 Oct 89

[Text] Beijing, October 23 (XINHUA)—The State Council has decided to further raise the purchasing price of raw cotton and oil-bearing crops next year in a bid to encourage farmers to increase the output of these vital cash crops.

The output of both cotton and oil-bearing crops, such as rapeseed and soy bean, failed to meet the state target this year, today's "CHINA DAILY" reported.

The price adjustment is aimed at promoting an expansion of next year's acreage, and ending farmers' uncertainty as to the advantages of doing so.

Earlier this year, the state twice raised the price of raw cotton to stimulate farmers' enthusiasm.

In August, the state raised the price by 60 yuan (about 16.13 U.S. dollars) per 50 kilograms, and earlier this year, the price was raised by 10 percent.

However, the adjusted price still appears low and farmers continue to favor growing more profitable crops.

The total acreage of cotton this year was 5.36 million hectares, a 466,700 hectares decrease over last year.

Several major cotton growing provinces, such as Jiangsu, Hebei, Hubei, Henan and Shandong, all planted less cotton than last year.

The "PEOPLE'S DAILY" said it will be difficult to meet the purchasing quotas of cotton for this year.

The problem has been compounded by insufficient supplies of farm goods needed by cotton and grain farmers.

The central government now hopes to encourage farmers and local governments to plant more cotton next year by readjusting the price.

Also, the state has promised cotton farmers supplies of fertilizers, pesticides and plastic sheeting when needed.

According to the state's decision, the purchase of cotton will be under state monopoly this year and a single price is to prevail throughout the country.

Cotton markets will not be allowed to open up. And a double price system, which could cause price rises, panic buying and profiteering, will not be allowed, officials said.

According to the state statistics bureau, the country had a bumper harvest in summer oil crops, but the production of autumn oil crops will decline because of various natural disasters.

### Bank Issues Loans for Grain Procurement

HK1810020489 Beijing CHINA DAILY in English  
18 Oct 89 p 3

[By staff reporter]

[Text] The People's Bank of China has allocated a special short-term loan of 20 billion yuan (\$5.4 billion) to avoid issuing IOU notes to farmers selling autumn harvests to the government, CHINA DAILY has learned.

Sources from the Ministry of Commerce said grain output this year might exceed last year's and cotton production might also see a slight increase over last year.

Because of increased yields and increased prices of agricultural products, more purchasing money is needed this year than last.

Qiu Qin, vice president of the People's Bank of China said at a nationwide telephone conference that this special loan should only be used for purchasing grain, cotton and a few other agricultural products.

Qiu warned that any attempts to misuse the loan would be punished.

In some parts of the country, funds are insufficient to meet purchases.

According to a report in FARMERS' DAILY, the city of Xiangyang in Hubei Province will soon have to give IOUs instead of cash to local farmers if immediate measures to solve the cash crunch are not worked out.

Xiangyang, the second largest grain producer in the province, has entered the purchasing peak for the autumn harvest. Daily grain purchase reached 22,500 tons requiring more than 10 million yuan (\$2.7 million).

The report said that at this rate it is a matter of days before the city will have to once again give farmers IOUs instead of cash.

The city needs 650 million yuan (\$176 million) to buy the autumn rice and cotton crops. To date, only 125 million yuan (\$33.7 million) is available.

According to estimates from the municipal government, aside from the other fund gathering measures, the city still faces a shortage of 310 million yuan (\$83.7 million) for the total purchase.

One of the reasons for the shortage is that although there are increases in grain output and in grain purchasing price, the city could not get an increase in its loan.

This year, the local agricultural bank had tried to increase the purchase loan over last year's amount by 100 million yuan (\$27 million) by attracting savings deposits. But that did not bring in sufficient additional funds.

A commentary in the FARMERS' DAILY called for immediate measures to solve the problem.

It said that every effort should be taken to gather enough funds to avoid issuing IOUs.

Minister of Commerce, Hu Ping, said that the tight control of the grain and cotton markets would help to fulfill this year's purchase task.

He said that any companies not approved by the grain business shouldn't conduct the selling and buying of grain.

And all private enterprises and individual businessmen are forbidden to conduct grain business as well, he said.

### Autumn Grain Plantings To Increase

OW1310210889 Beijing XINHUA in English  
1226 GMT 13 Oct 89

[Text] Beijing, October 13 (XINHUA)—Autumn sowing area will cover 44 million hectares in China, 3 million hectares more than last year, according to the Agriculture Ministry.

Of that area, 30 million hectares will be planted with grain crops, 900,000 hectares more than last year.

Wheat sowing in the north and rape sowing in the south has almost ended. The sowing areas of rape and green manure crops are about 5.2 million and 4.8 million hectares, 330,000 and 870,000 hectares more than last year respectively.

An official of the Agriculture Ministry said preparations for sowing started earlier this year than last year and fertilizers were more plentiful.

However, because of the weather, sowing had to be delayed. The drought in some provinces and the lack of insecticides would also affect the growing of crops.

### Research, Technology Help Improve Loess Soil

OW2110230489 Beijing XINHUA in English  
0153 GMT 21 Oct 89

[Text] Xi'an, October 21 (XINHUA)—To combat soil erosion on the Loess Plateau, China is bringing into play scientific research and application of new technology to improve the Loess soil.

In the early 1950s the Yellow River Water Conservation Committee, under the Ministry of Water Resources and Electric Power, set up several experimental centers for water and soil conservation in north Shaanxi, east Gansu and Tianshui on the upper reaches of the Weihe River. Another 38 similar centers were also set up in the eight counties and cities on the Loess Plateau where soil erosion is a particularly serious problem.

In the mid-1950s the Shaanxi Yangling Agricultural Science City under the Chinese Academy of Sciences set up the Northwest China Loess Plateau Water and Soil Conservation Institute.

At the same time, the central government and several local universities and scientific research units joined efforts to combat the soil erosion of the plateau.

Since the founding of the People's Republic of China in 1949, some 900 technicians of different specialties have worked here and made numerous scientific achievements to deal with the technological problems facing them in the prevention of soil erosion.

From the 1950s on, scientific research units made comprehensive experiments in tackling the small river systems in Jiuyuangou in Shaanxi's Shuide County, in Nanxiaohegou in Gansu's Xifeng County and Luergou in Gansu's Tianshui Prefecture. So it set an example for tackling small river systems in other places of China.

Under the direction of the Yellow River Water Conservancy Committee, about 77 small river systems have been comprehensively harnessed in the 1980s by making rational use of land and high-efficiency economic structure. And great changes have taken place in most of them, bringing great benefits to the people there.

The program to protect water and soil on the Loess Plateau, involving 58 work units, is one of the major scientific programs of the state's "Seventh Five-Year Plan" (1986-1990). These work units have set up 11 experimental sites and made great achievements in an area of 250,000 sq km, equal to 58 percent of the eroded area of the plateau.

The scientific workers also invented a "hydrodynamic-filling" technique for building dams which reduced the cost by 60 percent and raised the efficiency by up to six times.

According to investigations in this area, the dams built with this method, which won awards for scientific achievements from the State Science and Technology Commission and the former State Agriculture Commission in 1978, are of high quality and played a major role in retaining water and soil on the Loess Plateau.

In the early 1980s, remote-sensing technology and system engineering were adopted for water and soil conservation work.

For example, in 1983 the Yellow River Water Conservation Committee was entrusted with drawing a map of the 800,000 km eroded area of the Loess Plateau.

In the past it would have taken several hundred people more than ten years to complete such a task. But now, it only took 13 technicians four years to draw the map with the help of remote-sensing techniques. The map provided detailed and scientific data for the improvement of the Loess Plateau.

### Loess Plateau Improved With Foreign Capital

OW1410182989 Beijing XINHUA in English  
1222 GMT 14 Oct 89

[Text] Xian, October 14 (XINHUA)—Since 1979, China has signed more than ten multilateral and bilateral agreements to use foreign capital to introduce technology and equipment to improve the land on the Loess Plateau.

Located at the upper and middle reaches of the Yellow River, the plateau covers an area of 640,000 square kilometers. It is believed to be the largest and most seriously eroded area in the world.

The Shaanxi Institute of Water and Soil Conservation of the Loess Plateau has received 1.2 million U.S. dollars worth of equipment and special funds for technological imports and personnel training from the World Food Program and the United Nations Food and Agriculture Organization.

In 1980, Mizhi Experimental Center, the predecessor of the institute, began an eight-year experiment in making rational use of the land resources of the Loess Plateau.

The experimental site was at Quanjiaogou, a 4.2 square kilometer area in Mizhi County in Shaanxi Province.

Good results were achieved using high and stable-yield fields rather than the traditional extensive cultivation.

One hundred and twelve hectares of land previously used for cultivating grain were given over to forestry development and livestock breeding.

By the end of 1988, the cultivated area was reduced by half, but the per unit yield increased by 61 percent while total output increased 22 percent over 1979. Per capita income there is now 1.1 times higher than the national average.

After changing the mix of agriculture, forestry, and animal husbandry, about 93 percent of the eroded farmland in Quanjiaogou is now suitable for farming and the sand content of gullies has been reduced by 64.5 percent.

A senior expert of the World Food and Agriculture Organization after an inspection of the area said: "It is the most satisfactory of the more than 100 aid projects we have set up around the world." He believes that the experiences of Quanjiaogou may be useful in other similar areas of the world.

The experiences of Quanjiaogou were first popularized on eroded areas totalling 815 square kilometers in the rest of Mizhi County in 1985. This extension service was supported by the United Nations Food and Agriculture Organization with 8.87 million U.S. dollars worth of grain.

By the end of this September, forest coverage had increased by 12.8 percent, while per unit yield and total output increased by 80 and 60 percent respectively compared with four years ago. Per capita income has

increased by 104.5 percent. The loss of topsoil has been reduced by over seven million tons each year.

Soil erosion is quite serious in the Xingzihe River valley in northern Shaanxi Province. The World Food Program of the United Nations began a project in the valley in October 1988.

During the five-year project, 58 million kilograms of wheat will be given to feed farmers in areas where cultivated land is switched from grain production to forestry development and livestock breeding.

Plans call for an improved area of 268.5 square kilometers when the aid project ends in October 1993. The project is making good progress.

Over the past ten years, there have been frequent international academic exchanges on water and soil conservation.

The Institute of Geography of the China Academy of Sciences and the Shaanxi Institute of Water and Soil Conservation of the Loess Plateau, in cooperation with the Department of Geography of Toronto University in Canada, have conducted research on the laws of soil erosion on the Loess Plateau.

These academic exchanges and investigations have helped to improve the condition of the land on the plateau.

### Statistics Bureau Says Pork Supply Stable

OW2310142989 Beijing XINHUA in English  
1317 GMT 23 Oct 89

[Text] Beijing, October 23 (XINHUA)—Pork supplies, which were limited a few years ago, are stable and showing a slight increase this year, according to the State Statistics Bureau.

China, the world's largest producer and consumer of pork, has reserves adequate to supply markets in large and medium-sized cities like Beijing, Tianjin and Shanghai for half a year the bureau reports.

By the end of August, there were 18.6 million hogs in stock in large and medium-sized cities, 20.3 percent more than in the same period last year.

The first three quarters of the year saw steady development in hog production. Excluding figures for Tibet, Ningxia and Xinjiang, this year China has produced 182 million hogs, a three percent increase.

Although hog production grew in the first three quarters, there are factors that affect further development of the industry. The price of feed has risen sharply while pork prices have remained almost unchanged. This has greatly dampened the peasants' enthusiasm for raising hogs.

### Fodder Output Increases Over Past 5 Years

OW2310143189 Beijing XINHUA in English  
1251 GMT 23 Oct 89

[Text] Beijing, October 23 (XINHUA)—China has increased its fodder output by four million tons annually over the past five years.

During the same period the country produced a total of 100 million tons of fixed feed, saving 35 million tons of grain.

According to Liu Jiang, vice minister of agriculture, China has invested three billion yuan since 1978 to develop forage industry in order to ensure ample supply of meat, eggs and milk for the domestic market.

Advanced feed-processing facilities and technology have been imported from the United States, and Western and Eastern Europe, making the country one of the largest fodder producers in the world.

By the end of the 1988, he said, China has established 6,200 feed-processing plants with a total annual production capacity of 40 million tons.

The additional supply of eight million tons of pork or 10 million tons of eggs in the last five years should be largely attributed to the increase of fodder, according to officials of the Ministry of Agriculture.

However, Vice-Minister Liu Jiang warned that fodder output might fall down as a result of the decrease of corn production in the northeast and some northern provinces this year.

### Kiwi Fruit Production, Exports To Be Increased

OW2210075089 Beijing XINHUA in English  
1104 GMT 21 Oct 89

[Text] Beijing, October 21 (XINHUA)—China has grown 1,070 hectares of yangtao (*actinidia chinensis*) this year and about two million kilograms of it have been produced in 18 major yangtao production counties.

Announcing this here today, Chen Yaobang, vice minister of agriculture, scientist Yang Jici, and other fruit and nutrition experts hailed yangtao as the "king of fruit".

Yangtao, which is commonly known throughout the world today as "kiwi fruit", is said to contain a high level of vitamin C and to have good curative effects. It originated in China but has long been left uncultivated here.

China started to study the fruit comprehensively in 1981 and discovered that it has 57 varieties of it out of the world total of 58. Various kinds of yangtao are scattered all over the country.

Since then, the government has allocated special funds for its development and scientists bred 30 varieties. Some have been exported.

However, the vice minister admitted, China is still in the initial stage of yangtao development. New Zealand, which introduced the fruit from China early this century, produced 190 million kilograms of it in 1987, making the country the largest producer and exporter of it in the world.

According to the Ministry of Agriculture, China has 3,700 hectares of wild yangtao producing 150 million kilograms a year. An organization has just been formed to further develop and study the fruit in association with all the production areas.

The ministry said China plans to plant 6,700 hectares of yangtao in 1992 with a production capacity of 25 million kilograms.

### Symposium Considers Changes in National Diet

HK1210023089 Beijing CHINA DAILY in English  
12 Oct 89 p 1

[By staff reporter Chen Qide]

[Text] Hangzhou—What kind of diet should the Chinese people have in order to live the good life by the end of the century?

The answer is probably not the diet they have now, scientists attending an international rice seminar here concluded.

Scientists at the three-day symposium, which closed in the city's southwestern Fuyang County yesterday [11 October], called for more animal protein in the diet, although recognized this could not be achieved until a stable increase of rice was basically guaranteed.

"The practice aims to seek the balance between supply and demand of staple food," said Lu Liangshu, one of China's foremost agriculturist.

He felt the average Chinese diet today was unbalanced.

There was too much grain and not enough legumes and animal protein.

Yet, while grain production in the past four years has declined from 407.31 million tons to 394.04 million tons, grain consumption has increased by about 15 million tons a year as the population has grown.

By the turn of the century the country will need an additional 100 million tons of grain to feed its people.

"It is not really a small number," Lu understated.

To compound the problem, soil erosion is reducing the area of cultivation by about 466,667 hectares a year.

That's why the diet of tomorrow should be oriented to more animal protein, more meat, eggs, milk and seafoods. Legumes should also be developed and so should the production and processing of vegetables, fruits and



potatoes with advanced techniques, Lu said at the seminar attended by nearly 100 rice specialists from China and abroad including Japan, the Philippines, the United States, Thailand, South Korea, Australia and the Soviet Union.

The theme of the seminar was "feeding seven billion people."

Lu said changes in diet mean changes in grain consumption, with more grain grown for forage. By the year 2000, as much as 165 billion kilograms, 30 percent of the entire grain output will go to feeding animals.

Grain, however, remains the foundation for the amelioration of diet. There is no departure from the goal of producing 400 kilograms of grain per capita, he said. To achieve that target in the year 2000, and given anticipated population growth, the grain production will have to be 530 million tons.

Current production is still short of this target—360-kilogram grain per capita, of which about 62 percent is used for human consumption and 20 percent for animal feed.

## East Region

### Anhui Secretary Addresses Department Heads

OW2210203289 Hefei Anhui Provincial Service  
in Mandarin 1100 GMT 25 Sep 89

[From the "Provincial Hookup" program]

[Text] The 5-day session of heads of the organization departments under prefecture, city, and county party committees in the province ended in Hefei yesterday. (Liu Guangcai), Standing Committee member of the provincial party committee and the head of the provincial Organization Department, made the concluding speech.

Lu Rongjing, secretary of the provincial party committee; Fu Xishou, deputy secretary of the provincial party committee; Niu Xiaomei, Zhao Baoxing, and (Shao Ming), Standing Committee members of the provincial party committee; (Chen Guanghua), vice chairman of the provincial Advisory Committee; (Bai Luke), Standing Committee member of the provincial Advisory Committee; and veteran comrades who had assumed the leading posts in the provincial party committee, including Wang Guangyu and Shi Junjie, came to greet the meeting participants during the session. Lu Rongjing delivered an important speech.

The theme of Lu Rongjing's speech was that party organizations and party members at all levels must attend to party building most attentively and confidently. He talked about three issues. First, he said, it is imperative to conscientiously study the CPC Central Committee circular on enhancing party building, to affirm the fundamental viewpoints of Marxism-Leninism concerning party building, and to raise awareness with regard to enhancing party building.

Lu Rongjing pointed out: The CPC Central Committee's circular on enhancing party building is a significantly practical and profoundly influential programmatic document. In our efforts to comprehend the spirit of this CPC Central Committee document, we must link the history of the development of the international communist movement with Marxist-Leninist theory on party building, integrate theory with practice, and weigh the negative and positive lessons and experiences of history and the harsh reality. We must be fully aware of the importance and urgency of enhancing party building. We must be resolved to run and develop our party with success, in compliance with the requirements of the central circular, so as to reestablish our party's high reputation and prestige among the people, give full play to our party's political advantage, and lead the broad masses to advance along the socialist path victoriously.

The second issue he talked about is the necessity of adhering closely to party lines as we enhance party building. He said: The party's construction has always been closely connected with its political lines, with the former either subject to or serving the latter. The party's

basic lines as determined by the 13th CPC Plenary Session are the conclusion of the party's negative and positive experiences since it came to power, embodying the crystallization of the wisdom of the entire party. All party work in the new period must guarantee implementation of the party's basic lines. As we work on party construction, we must also firmly follow this guiding ideology.

Third, we must make sure work at the grassroots level is successful so that the party actually handles party affairs. Lu Rongjing pointed out: The problems exposed during the recent turmoil indicated that indeed there was something seriously wrong with our party's infrastructure in terms of ideology, work style, and organization. From now on, we must start our work on party construction from the grass roots level and do really solid work to continuously augment the party's appeal, cohesiveness, and fighting capability. Currently, it is necessary to make special efforts in the six [number as heard] tasks that lay the groundwork: the tasks of screening and consolidating companies; of purifying party organizations; of strengthening party leadership at all levels in line with the policies of making cadres more revolutionary, younger in average age, better educated, and professionally more competent; of strengthening the party's infrastructure; of earnestly carrying out an inner-party ideological education and rectification campaign to comprehensively improve the quality of party members; of resolutely uprooting corruption so as to restore and carry forward the party's fine work style; and of further strengthening construction of the organization department itself.

Wang Guangyu, Shi Junjie, and Chen Guanghua also spoke at the meeting.

During the session, the delegates engaged in serious discussion of the documents of the CPC Central Committee and the speeches of the leaders of the provincial party committee. The meeting also arranged for representatives of nine localities and some relevant enterprises at the grassroots level to speak at the meeting, introducing the actions and experiences of various localities in their efforts to consolidate grass roots party organizations and to ensure success in party building.

### Anhui's Lu Addresses Commendation Meeting

OW2310020889 Hefei ANHUI RIBAO in Chinese  
28 Sep 89 pp 1, 3

[Speech by Lu Rongjing at a 27 September provincial meeting to commend advanced grassroots party organizations and outstanding party workers]

[Excerpts] Comrades: This provincial meeting to commend advanced grassroots party organizations and outstanding party workers, held after we have won a decisive victory in quelling the riots and the Beijing counterrevolutionary rebellion, and on the eve of the nationwide celebration of the 40th anniversary of the great socialist motherland, is a major event in the political life of the province. Here, I would like, on

behalf of the provincial party committee, to extend my heartfelt respects for the advanced grassroots party organizations which have made outstanding contributions to socialist modernization and to the business of reform and opening on all fronts, as well as advanced party workers who have worked hard and selflessly for the cause of the party. I would also like to extend, through you, my sincere regards to party organizations at all levels, as well as the mass of party members across the province. [passage omitted]

The turmoil and riot which broke out at the turn of spring and summer this year, resulted from a combination of the international macro-climate and the domestic micro-climate. The disturbances stirred up by hostile forces, both internal and external, were aimed at overthrowing the Chinese Communist Party's leadership and subverting the socialist system, at turning China into a bourgeois republic, and reducing it once again to a dependency of the Western capitalist powers. This struggle is, by its nature, a sharp confrontation between the four cardinal principles on the one hand and bourgeois liberalization on the other, a political struggle, and also a serious class struggle, concerning the life and death of our party, state, and nation. In this struggle, our party underwent a rigorous test and won a decisive victory in halting the turmoil and quelling the counterrevolutionary rebellion. Practice once again shows that ours is a great, glorious, and correct party. It is a decisive force for ensuring political stability in China and a strong core leading the people of all nationalities in China in building socialism with Chinese characteristics. No hostile forces whatsoever will be able to topple us. However, we must not underestimate the impact on our party as a result of the international hostile forces' attempt to bring about peaceful evolution of socialist countries, nor should we underestimate the harm of Comrade Zhao Ziyang's mistakes or the damage done by bourgeois liberalization to party building. We must persist in applying Comrade Deng Xiaoping's scientific analysis of the international macro-climate and the domestic micro-climate, sum up the past experience with clear heads, ponder the future, enhance our understanding of the new situation and new problems facing the international communist movement and the important role of our party is playing in this movement, perceive the protracted and complicated nature of the struggle against the strategy of peaceful evolution by international hostile forces, be fully aware of the serious harm of corruption within the party, constantly enhance our understanding of the importance and urgency of strengthening party building, focus on party building in accordance with the recent instructions of the CPC Central Committee on strengthening party building, strengthen and improve party building in a down-to-earth manner, and constantly enhance the party's unity, appeal, and fighting capacity.

Comrade Jiang Zemin pointed out that party building should be focused on, and should serve, the party's political line. Party building will lack a correct orientation and it will be difficult to correctly implement the

party's political line if we deviate from this guiding principle. The basic line and development strategy formulated by the party since the 3d Plenary Session of its 11th Central Committee are correct, as are the basic line and development strategy for the new period adopted at the 13th CPC National Congress. We must implement them persistently. [passage omitted]

In strengthening party building, the top priority is, in light of the serious problems exposed by the turmoil and the counterrevolutionary rebellion, to earnestly consolidate and strengthen party organization ideologically, organizationally, and in workstyle. We must solve the urgent problems facing party building with great determination. We must stress educating the masses of party members on upholding the four cardinal principles and opposing bourgeois liberalization, so that they will deeply understand that only socialism can save China, that only socialism can develop China, and that only by upholding party leadership shall we be able to ensure the success of reform, opening, and socialist modernization. [passage omitted]

In promoting party building, we must emphasize strengthening grassroots party organizations. These organizations, as the party's foundation, play an important role in exercising party leadership over political and social life. If grassroots party organizations are weakened, we cannot begin to talk about the party's fighting capacity. In spite of Comrade Zhao Ziyang's mistakes of diluting party leadership and weakening grassroots party organizations, advanced grassroots party organizations with strong fighting power have emerged in large numbers in our province, and we have also accumulated a great deal of successful experience in strengthening grassroots party organizations. Now, we must, in light of the requirements laid down by the Central Committee, carry out this work resolutely and persistently. We should further clearly define the status, responsibilities, and functions of party organizations in enterprises and uphold the system of factory directors assuming responsibility. The factory director and party secretary should support and cooperate with one another. We must bring into full play the role of rural grassroots party organizations as the core of leadership. These organizations must pay attention to promoting both the spiritual and material civilizations and lead the masses of peasants in building socialist new villages. Earnest efforts should be made to strengthen party organizations in schools and government organs, and put to an end to the laxity in party work as quickly as possible, so that every grassroots party organization is able to truly display their fighting power. [passage omitted]

#### Anhui Leaders View Armed Police Exercise

OW2210113989 Hefei ANHUI RIBAO in Chinese  
26 Sep 89 p 1

[Excerpts] On the morning of 25 September, the provincial Armed Police Force conducted a mobile force military exercise at the southern foot of Dashu Shan in Hefei

to mark the 40th anniversary of the PRC's founding, as well as to report to the party and people the results of their training and show off their might.

This mobile unit is a mechanized, well-equipped, well-trained rapid deployment force composed of personnel selected from the provincial Armed Police Force who have undergone special training. The unit is responsible for dealing with emergencies in the province and has, on many occasions, accomplished major public security assignments with flying colors. It has also rendered brilliant service in cracking down on crimes and in rescue operations during natural disasters. Especially during the political struggle to stop the turmoil, this unit underwent the test of blood and fire, and made outstanding contributions to safeguarding the overall interests and stabilizing the situation in the province.

At 0930, the exercise began, as 40 red signal flares were shot into the sky. Lu Rongjing and Fu Xishou, accompanied by Qi Bangyi, political commissar of the Armed Police Force, and its commander Cheng Zhixue, reviewed, from open jeeps, 4 square formations composed of 332 officers and soldiers of both sexes participating in the exercise. [passage omitted]

After the exercise, Lu Rongjing spoke. Also present at the exercise were party, government, and military leaders of the province and Hefei City, including Wang Guangyu, Shi Junjie, Meng Fulin, Cheng Guanghua, Wang Shengjun, Shao Ming, Cui Jianxiao, Liu Yiping, and Zhang Jinbao. [passage omitted]

### **Fujian Propaganda Meeting Stresses Party Purity**

OW1010101489 Fuzhou Fujian Provincial Service  
in Mandarin 1100 GMT 28 Sep 89

[Text] According to the provincial conference of heads of propaganda departments, which came to a close today, 10 things must be done in order to make the CPC a stronger party.

Among the 10 things are the need to:

- Screen and consolidate the party ranks and purify the party organizations, basing on the guiding thought of purifying the party to achieve long-term stability and the plan drawn up by the provincial party committee;
- Thoroughly examine the ideological state and actual performance of cadres during the recent upheaval; fully and accurately implement the principle that cadres should be more revolutionary, younger in average age, better educated, and professionally more competent; making sure that leading bodies at all levels are built into strong cores of implementing the party's lines, principles, and policies;
- Do a good job in reregistering party members of provincial organs and their affiliated units, party members of official organs and schools of higher education in Fuzhou and Xiamen, as well as party

members of all units having been given the mopping-up mission so as to purify the party organizations by eliminating the hostile elements, antiparty elements, and decadent elements.

Other requirements established at the meeting include: Following through with the democratic evaluation of the performance of party members; upgrading party members' proficiency by improving their ideological education; earnestly strengthening the grassroots party organizations; making conscientious efforts to recruit advanced elements into the party; upholding the principle that party organizations must take charge of cadres; and improving the overall management of cadres.

### **Fujian's Chen Addresses CYL Delegates**

OW2210211789 Fuzhou FUJIAN RIBAO in Chinese  
10 Sep 89 p 1

[Dispatch by correspondent Li Rong]

[Text] On the evening of 6 September Chen Guangyi met with more than 150 representatives attending the 3d plenary session (enlarged) of the 8th provincial committee of the Chinese Communist Youth League [CYL]. In a discussion with them, he said: It is necessary to pay great attention to and effectively strengthen ideological education among young people. The struggle to halt turmoil and quell rebellion has tempered and tested each one of us, as well as exposed the many weak links in ideological education among young people. It has taught us a bitter lesson and given us beneficial inspiration. Party committees at all levels throughout the province should pay great attention to ideological education among young people.

Chen Guangyi said: If the proletariat does not try to win over the younger generation, the bourgeoisie will certainly come to grab them. The struggle between evolution and counter-evolution, between filtration and counter-infiltration, and between corrosion and counter-corrosion is still very acute and complicated. We should understand the strategic importance of training successors to the proletarian cause and of ensuring that our party and state will not change their nature, and fully realize the significance of ideological education among young people. Party committees and governments at all levels should have a greater sense of responsibility and stronger sense of urgency; give priority to the long-term task of educating the young people, which should serve as a practical step in implementing the guidelines of the 4th Plenary Session of the 13th CPC Central Committee; effectively strengthen education in socialist thinking and communist ideals among the young people; strive to develop an atmosphere where the whole party and the whole society are engaged in conducting ideological education among the young people; and constantly improve the social environment to facilitate the wholesome development of young people. Chen Guangyi said: During the recent disturbances, which constituted very difficult circumstances, CYL organizations and cadres at



all levels did a great deal of work to stabilize the situation. They will face even harder tasks in the future. The party committee and the government should truly show concern, attention and support for the work of the CYL; constantly study and provide guidance for this work; listen to the opinions of CYL organizations and the young people; constantly set new tasks and encourage the young people to shoulder responsibilities; and conduct inspection and exercise supervision. They should be concerned about the growth of CYL cadres, pay attention to training CYL cadres at all levels, commend and provide necessary encouragement to outstanding CYL members on all fronts and in all trades and professions, and conduct the work of the CYL to yield better results and show greater vigor so that the large number of CYL members and young people will grow better and faster.

The 3d Plenary Session (Enlarged) of the 8th Fujian CYL Committee was held from 5 to 8 September. At the meeting, Chen Shaoyong, secretary of the provincial CYL committee, delivered a work report entitled "Think of the Past, Look to the Future, and Vigorously Strengthen Ideological and Political Work Among the Young People." After reviewing the work of the provincial CYL committee in the past year or more, he urged CYL organizations at all levels to exercise more effective leadership, give priority to ideological education among young people, and conduct educational activities focused mainly on upholding the four cardinal principles and opposing bourgeois liberalization. Chen Shaoyong also made specific arrangements for CYL organizations to help the party committee and government better implement the work in four areas laid down by the 4th Plenary Session of the 13th CPC Central Committee.

The meeting unanimously adopted a resolution entitled "Concerning Strengthening Ideological and Political Work Among Young People."

#### **Jiangxi Adjourns Propaganda Meeting; Wu Speaks**

*OW2210234389 Nanchang JIANGXI RIBAO in Chinese  
26 Sep 89, pp 1,2*

[Excerpt] A 4-day conference on Jiangxi's organizational and propaganda work, held by the provincial party committee, ended on 25 September.

During the conference, leaders of provincial, prefectural, and county party committees joined leading comrades from the organizational and propaganda departments in studying relevant documents issued by the party Central Committee and the important speeches of leading comrades of the central authorities. They discussed ways to strengthen party construction and to consolidate propaganda and ideological work. On behalf of the provincial party committee, Comrade Liu Fangren delivered a speech on strengthening party building and expanding propaganda and ideological work in Jiangxi. Comrades Lu Xiuzhen and Wang Taihua respectively transmitted the guidelines of the national conferences of organizational and propaganda department heads. Apart from studying the relevant documents, the conferees held

panel discussions to deliberate on the pertinent issues. They also made many good suggestions for revising the provincial party committee's "Opinions on Strengthening Party Building and Consolidating Propaganda and Ideological Work." Similar suggestions also were made on "The Interim Regulations Governing a Number of Village-level Construction Issues" jointly issued by the provincial party committee and the provincial government. The conferees unanimously agreed that the studies and discussions had enhanced their understanding of the importance, need, and urgency for effectively carrying out party construction and undertaking propaganda and ideological work. They also maintained that, thanks to the studies and discussions, they had a better understanding of the guidelines on party building, propaganda efforts, and ideological work. They claimed that they had a clearer idea of their major fundamental tasks and of the important tasks currently facing them. The studies and discussions, they said, were inspirational, and had instilled in them a sense of urgency and responsibility. These, they pointed out, were significant to Jiangxi in strengthening party building, consolidating propaganda and ideological work, and ensuring success in other endeavors.

The summing-up session was held on the morning of 25 September.

Seated on the rostrum were Wu Guanzhen, Liu Fangren, Jiang Zuping, Wang Zhaorong, Lu Xiuzhen, Wang Taihua, Ma Shichang, Zhao Zengyi, Di Sheng, Liu Zhonghou, Wang Shufeng, Zhu Zhihong, Xu Qin, and Wu Ping. Also seated were Bai Dongcai, a member of the Central Advisory Commission, and Fu Yutian, a veteran comrade.

More than 800 people attended the session. They included comrades from all localities, departments, and units; party committee secretaries of organizations directly under the provincial authorities; and leaders of organizational and propaganda departments.

Comrade Liu Fangren presided over the meeting, while Comrade Wu Guanzheng made a summing-up speech.

After a brief review of the conference and its major achievements, Comrade Wu Guanzheng outlined a three-point proposal calling for:

1. Acquiring a better understanding of the current situation and fostering confidence in successfully carrying out work related to party building, propaganda, and ideology;
2. acquiring a comprehensive and correct understanding of the need to implement the party's basic line and conducting education in upholding the Four Cardinal Principles and opposing bourgeois liberalization; and
3. concentrating on strengthening party building and bringing out the key political role of party organizations at all levels. [passage omitted]

### **Shandong's Jiang Attends Quiz on CPC Basic Line**

SK2210110189 Jinan Shandong Provincial Service  
in Mandarin 2320 GMT 20 Oct 89

[Excerpt] The quiz on the study of the party's basic line and the party's basic knowledge was held at the broadcast room of the Shandong Television Station on the afternoon of 20 October.

Jiang Chunyun, secretary of the provincial party committee, was present at the quiz and gave a speech. Miao Fenglin, member of the Standing Committee of the provincial party committee and director of the Propaganda Department; Zhu Yongshun, member of the Standing Committee of the provincial Advisory Commission; Lu Hong, vice chairman of the provincial People's Congress Standing Committee; and Han Bangju, special advisor of the provincial government, were also present at the quiz.

Early this year, the provincial party committee and large enterprises of various cities and prefectures established organizational organs to take charge of the quiz, organized study and discussions, examinations, oral tests and television quizzes at all levels. More than 4,900 grassroots party committees throughout the province also organized study and quiz activities, accounting for 89 percent of the total number of grassroots party committees. More than 2 million party members participated in the contests carried out in the form of examination, accounting for 68 percent of the total number of party members throughout the province. [passage omitted]

### **Shandong's Jiang Gives Cadres Send-off**

SK2210110489 Jinan Shandong Provincial Service  
in Mandarin 2320 GMT 20 Oct 89

[Text] Cadres of provincial organs have left their organs one after another to go to grassroots units to assume new posts.

On the early morning of 20 October, Jiang Chunyun, secretary of the provincial party committee, and Miao Fenglin, Ma Zhongcai, and Tan Fuda, members of the Standing Committee of the provincial party committee, Li Chunting, vice provincial governor, and other leading comrades, came respectively to the provincial party committee and government compound to throw a send-off party for cadres who will be sent to the grassroots units.

This time, the provincial organs have selected 1,068 cadres and assigned them to work in grassroots units. They will be arranged to work in 30 counties, cities, and districts in eight cities and prefectures, including Linyi, Heze, Dezhou, Liaocheng, Huimin, Dongying, Zozhuang, and Jining. The provincial party committee and government and all provincial-level units have paid great attention to this work. The provincial party committee and government have held mobilization meetings and meetings to train cadres who have been selected to work in grassroots units on several occasions, to explain

to them the significance of their work, to assign tasks to them and to set demands on them. All units have held various forms of forums, tea parties, and farewell parties, or have visited cadres to be sent to grassroots levels to solicit their opinions in an effort to realistically help them overcome practical difficulties and eliminate fear of trouble. The grassroots units designated to receive those cadres have also made preparations conscientiously and have created good conditions for their work, study, and living.

### **Shandong's Jiang Stresses Industrial Production**

SK2010033089 Jinan Shandong Provincial Service  
in Mandarin 2300 GMT 18 Oct 89

[Text] On the afternoon of 18 October, the provincial party committee and the provincial government held a provincial telephone conference on industrial and communications production. Jiang Chunyun, secretary of the provincial party committee, stressed at the conference: All levels of departments in the province should go into immediate action, summon their courage, work hard to overcome difficulties, strive to fulfill or overfill all economic tasks of this year, and make positive contributions to consolidating and developing the current excellent situation.

Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province, presided over the conference. Present at the conference were Miao Fenglin, Li Chunting, and Ma Zhongcai, members of the Standing Committee of the provincial party committee; Li Chunting, vice governor of the province; and responsible comrades of the pertinent departments directly under the provincial party committee and the provincial government. Responsible comrades of various cities, prefectures, and counties, as well as relevant departments and major enterprises, listened to the situation of the conference at the local branch conference halls. Responsible comrades of Jining City, the Jinan No. 1 Machine Tool Plant, and the Weihai Carpet and Woolen Textile Factory introduced at the conference their experience in adopting positive measures to reverse the trend of slow growth in production.

After analyzing the province's situation since the beginning of this year, Comrade Jiang Chunyun pointed out: New headway has been made on all fronts in the province, and the political and economic situation as a whole has been good. In view of the situation of industrial and communications production, we can see that certain increases have been made in both speed and efficiency, and many targets have been higher than the average national level, and some of them have joined the ranks of the nation's best.

Comrade Jiang Chunyun said: We must clearly notice that at present, industrial and communications enterprises are confronted with conspicuous problems and difficulties. In September, growth in provincial industrial production was slow, the margin of decline in economic efficiency was even larger, sales on markets

were weak, and the supply of funds was deficient. In addition, the cadres of quite a few enterprises showed fluctuations in ideology, and had doubts about and misgivings over the factory director responsibility system, the contract system, and the specific managerial policies.

Comrade Jiang Chunyun pointed out: We must base all our undertakings on the overall task of stabilizing the economy, enterprises, and the political situation; we must have a full and correct understanding of the difficulties and problems existing in industrial and communications production; and we must adopt feasible measures to reverse and solve these difficulties and problems as quickly as possible. This is an urgent task facing party and government leaders at all levels.

Comrade Jiang Chunyun set forth five points of opinions and demands on behalf of the provincial party committee and the provincial government.

First, we should seek unity of understanding of the current situation in industrial and communications production. He said: Since the beginning of this year, the price rise index has declined gradually, commodity markets have been relatively stable, savings deposits of urban and rural residents have increased steadily, the withdrawal of currency from circulation has picked up, and the overly high growth rate of the industry has dropped remarkably. This is the gratifying result which stems from the drive of improving the economic environment and rectifying the economic order. However, new difficulties and problems have emerged as well. How to make a correct analysis of and correctly approach the new current situation of industrial and communications fronts is a major question crying for solution by all departments from top to bottom, all professions and trades, and, in particular, all industrial and communications trades and enterprises. Party and government organs at all levels should conscientiously study and implement the guidelines of the 4th plenary session of the 13th party Central Committee, as well as the important speeches by Comrades Deng Xiaoping, Jiang Zemin, and Li Peng; and should strive to actually unite the ideas of the vast number of cadres, workers, and staff members with the principles, policies, and instructions of the central authorities, by closely linking the actual ideological situation with the specific work. Meanwhile, they should correctly understand and comprehensively implement the basic line of the party, and should firmly and unswervingly uphold economic construction, the four cardinal principles, and the policy of reform and opening-up. They should actually solve the problem of being hard in reform and opening-up, but soft in ideological and political work. The ideological and political work, which had been neglected in the past, should be strengthened; the work related to reform and opening-up, which had been strengthened in the past, should be strengthened further; and both of them should be integrated organically. They should correctly understand and comprehensively implement the principles of improving the economic environment, rectifying the

economic order, and deepening reform. They must definitely understand that the improvement of the economic environment and the rectification of the economic order have to be carried out firmly and unswervingly, and that there is no getting around this. They should strive to schedule a period of 3 years or longer for thoroughly relieving the imbalance between society's total supply and total demand and for gradually eliminating inflation. The changes in the current market situation have provided an important opportunity for all enterprises. The changing pressure and incentives will force enterprises to improve management and operation, accelerate technological progress, and heighten their quality. Otherwise, an enterprise will be eliminated by its competition. All levels of party and government organs as well as all professions and trades should guide and support enterprises in facing up to reality, accelerating readjustment, renewing their products, and improving their work in a comprehensive manner. On this point they should go into immediate action, and contend for the initiative. At the same time, they should not only face up to the current problems, but also catch sight of favorable conditions and positive factors. All negative and pessimistic ideas and all moods of wait-and-see and inertia are wrong and harmful.

Second, we should stabilize policies with a view to fully mobilizing the initiative of enterprises as well as that of workers and staff members. Comrade Jiang Chunyun said: At present, an extremely practical question facing the economic front, and the industrial and communications enterprises in particular, is how to understand and approach the various reform measures which have already been implemented.

He pointed out: The general guideline is to maintain the stability and continuity of policies. The reform measures that are conducive to improving the economic environment, rectifying the economic order, and stabilizing the people's feelings, enterprises, and the economy should be carried out continuously. The people at lower levels must not doubt or shake the policies and principles without the higher levels' announcement of changes.

Comrade Jiang Chunyun stressed: It is necessary to continuously carry out the responsibility system, improve the system, and honor contracts. Within the contract periods, the contractors must not randomly change the income that they project during the contract. It is necessary to rationalize, in a step-by-step manner, the relationship between enterprise managers and enterprise producers in the distribution of interests. The managers' personal income should be linked with their enterprises' economic results, as well as the income of their staff and workers. Their wages and bonuses can be higher than those of staff and workers according to regulations, on the premise that they do not exceed three times the average income of staff and workers. The managers should pay regulatory income taxes according to law.



Comrade Jiang Chunyun stressed: The implementation of the plant director responsibility system is defined in the enterprise law. The plant director's key role in an enterprise must not be changed, and the party organization plays a role as the political core in the enterprise. This helps to greatly improve the enterprise leadership system. It is necessary to handle the relationship between the plant director's key role and the party organization's role as the political core. Enterprise party organizations should support plant directors to independently and responsibly handle problems in management, production, and technological development. Meanwhile, plant directors should respect and protect the role of enterprise party organizations as the political core and consciously accept their supervision.

Comrade Jiang Chunyun said: We should unswervingly resist graft, advocate administrative honesty, and punish the corrupt. However, we should prudently handle, according to different conditions, the problems cropping up through the conduct of economic activities. The problems that were handled in the past according to the relevant regulations of party committees and governments at various levels, but which do not conform to the current regulations, should not be regarded as enterprises' problems any longer, nor should they be further examined and handled. Except for the problems of pocketing public funds, the problems cropping up through practicing the specific work of enterprises need not be further investigated. However, enterprises should sum up experiences and draw lessons. We should pay attention to protecting the great majority of the managers' enthusiasm. We must neither regard individual phenomena as general ones, nor attribute to managers mistakes due to defective policies. Enterprises should continue to carry out the system through which supply and marketing personnel's remuneration is linked to performance, on the premise that the unreasonable proportion of quotas can be appropriately readjusted. Enterprises are allowed to give necessary receptions during their normal social intercourse. However, they should abide strictly by the standards, and must neither practice lavish dining and wining nor practice extravagance and waste. In handling the problems to be reported by the masses, enterprises should pay attention to substantial evidence and conduct investigations and studies. In the course of investigations and studies, enterprises should be particular about methods. That is, they should resolutely handle the irregularities, but not hastily address problems which cannot yet be accurately judged.

Third, we should grasp opportunities in order to positively and actively do a good job in readjustment.

Comrade Jiang Chunyun said: In line with the state industrial policies, and in the light of the principle of persistently supporting the enterprises with favorable conditions and eliminating those with unfavorable conditions, we should firmly attend to the arrangements of enterprises in the order of importance, and define which enterprises should be supported, which enterprises should be restricted, and which enterprises should be

amalgamated with others or converted to the manufacture of other products. Meanwhile, this should be fully embodied in the distribution and the input of funds, energy resources, raw materials, and technologies.

Fourth, we should carry forward the spirit of arduous struggle and vigorously launch the campaign of increasing production and practicing the economy.

Comrade Jiang Chunyun pointed out: We must set our sights on enterprises, tap their potential, and strive to increase economic results. We should regard the strengthening of sales as a key link and attend to it. The previous effective forms of holding trade fairs on ordering and marketing commodities should be fully applied and enthusiastically attended to. Commercial, supply and marketing, and supply departments should bring their key roles into full play and adopt various methods of jointly marketing goods, promoting the sale of goods, and selling goods on a commission basis to enthusiastically help enterprises market their products.

The fifth demand set by Comrade Jiang Chunyun on behalf of the provincial party committee and the provincial government is to realistically strengthen the leadership over industrial and communications production.

He emphasized: Party committees, governments, and departments at the city, prefectural, and county levels should make a unified arrangement for all work tasks, and concentrate necessary efforts on attending to industrial and communications production. All cities, prefectures, and counties should conscientiously analyze and study the current industrial and communications production situation; immediately work out policy decisions; and organize forces to implement them. Industrial and communications departments at various levels should immediately go into action, and organize and send a large group of forces to the forefront of production to help enterprises eliminate worries and difficulties and to promote production and management work. Commercial, supply and marketing, grain, financial, tax, banking, and foreign trade departments should enthusiastically serve enterprises' production and management work. At the same time, propaganda departments and press units should grasp the mass media orientation and pay attention to propaganda reports in order to create favorable mass media environments for enterprises.

#### **Shandong Discusses Drought, Fall Planting**

*SK2310005889 Jinan Shandong Provincial Service in Mandarin 2300 GMT 17 Oct 89*

[Excerpts] On 17 October, the provincial People's Government sponsored a meeting of mayors and commissioners in charge of agriculture from various cities and prefectures in Jinan.

The participants summarized the autumn sowing work already done and held discussions on making work arrangements for rounding off autumn sowing, carrying out wheat field management of seedlings in the early



period, and on conducting the construction of water conservancy work in winter. Wang Lequan, vice governor of the province, presided over and addressed the meeting.

According to the reports made at the meeting by the participants from various cities and prefectures, as of 16 October, 64 million mu of wheat crops had been sown and the sowing plan more than 90

fulfilled in the province. The speed of the operation surpasses the 1988 speed by 8 million mu. Technologies in applying manure and sowing fine seeds are better than those in other years. [passage omitted]

### Shanghai's Zhu Rongji Attends General's Funeral

OW1610134989 Shanghai City Service in Mandarin  
2300 GMT 6 Oct 89

[From the "Morning News" program]

[Excerpts] A ceremony to pay last respects to the remains of Major General Yang Zhifan was held on 6 October in Shanghai. Yang Zhifan was known as an outstanding CPC member, loyal communist fighter, and good political worker of our Army. He was a deputy to the Seventh National People's Congress, a member of the Standing Committee of the Shanghai Municipal CPC Committee, and the political commissar of the Shanghai Garrison.

Yang Zhifan died of illness on 28 September 1989 in Shanghai at the age of 58.

While Yang Zhifan's condition was serious, Comrade Jiang Zemin, general secretary of the CPC Central Committee, telephoned twice to inquire after him and ask the hospital to make every effort to save him. Leading comrades of the Nanjing Military Region and party, government, and Army leaders of Shanghai made several visits to the hospital to see him.

When Comrade Yang Zhifan was on his deathbed, Zhu Rongji, Ba Zhongtan, Ye Gongqi, and other comrades came to the hospital to make the last visit.

On the very night of Comrade Yang Zhifan's death, General Secretary Jiang sent in a message of condolences. The message expressed deep grief over his death and gave wholehearted consolation to his widow (Kang Jianyi) and his children. [passage omitted]

Wreaths were received from Jiang Zemin, Chi Haotian, Guo Linxiang, Xiang Shouzhai, and Fu Kuiqing and from the party committee of the Nanjing Military Region, the Shanghai Municipal CPC Committee, the Standing Committee of the Shanghai Municipal People's Congress, and the Shanghai Garrison Party Committee.

Attending the ceremony to pay last respects to Yang Zhifan's remains were Wang Yongming, representative of the Nanjing Military Region and deputy director of the Political Department of this military region; Zhu

Rongji, secretary of the Shanghai Municipal CPC Committee, Shanghai mayor, and first secretary of the Shanghai Garrison Party Committee; and Ba Zhongtan, member of the Standing Committee of the Shanghai Garrison Party Committee; as well as party and government leaders in Shanghai, including Chen Guodong, Huang Ju, Wu Bangguo, and Chen Zhili. They also sent wreaths to the ceremony.

### Li Zemin Addresses Zhejiang Rural Work Meeting

OW1610231389 Hangzhou Zhejiang Provincial  
Service in Mandarin 1000 GMT 6 Oct 89

[Text] A provincial rural work meeting was held in Hangzhou today. Li Zemin, secretary of the provincial party committee, said that the whole party, the whole society, and people of all walks of life should pay attention to agriculture, support it, and make every effort to achieve a bumper harvest.

Comrade Li Zemin said: Certainly, the 10 years of reform have seen a drastic change in Zhejiang's rural areas. During these 10 years, both the gross value of rural output and the average per capita income of peasants in the province have more than quadrupled. This indicates the striking achievements that the rural cadres and masses of our province have made in conducting reform and opening to the outside world under the leadership of the party. However, there are also some experiences and lessons we have to sum up and draw from the past. Among these, the most predominant is the fact that the position of agriculture as the foundation has been weakened and that our idea about agriculture as the foundation has become blunted. The errors we made in guiding ideology and in our work, plus the serious natural disasters over the past few years have resulted in a decline in our grain and cotton production each year and in the worsening contradiction between the supply and demand of staple farm produce since 1985.

We should think seriously and earnestly about some problems confronting our agriculture: 1) Zhejiang is one of the provinces with the smallest acreage of arable land per capita in the country, and the problem of a growing population and diminishing arable land continues to be intense; 2) the contradiction between grain supply and demand is remarkable in our province; 3) in the past few years, our province has expanded its cotton and hemp processing capacities, but output of these raw materials has plunged considerably instead of going up, so it cannot meet the needs of these industries; and 4) the supply of meat, poultry, eggs, milk, and fish for the daily needs of urban and rural people is dependent on grain production. Grain production is not only an economic issue, but also a political one, which can be solved only by relying on ourselves to adopt a correct policy and make sustained efforts. We cannot rely on anyone else to solve the problem for us. At no time should we forget this fundamental matter and shake our determination to strengthen the position of agriculture as the foundation.

Comrade Li Zemin stressed: To truly change the situation of a decrease in grain and cotton production, we should go all out to strengthen the position of agriculture as the foundation. Party committees and governments at all levels should firm their resolve, expend more effort, and take more effective measures. The whole party, the whole society, and people of all walks of life should pay attention to agriculture, support it, and make every effort to reap a bumper harvest. In the past, veteran comrades in Zhejiang attached great importance to agriculture. They stressed that at no time should the questions about the countryside, agriculture, and peasants be ignored. Facts have proved that if this fundamental issue is properly dealt with, our cause of revolution and construction will progress smoothly; if not, setbacks will occur. Today, it is of great practical importance for us to reemphasize the need to pay attention to the questions of the countryside, agriculture, and the peasants.

Comrade Li Zemin said: In the days to come, we should give still greater play to the party's political strong points. We should mobilize the whole party, the whole society, all departments, and people of all walks of life to pay attention to agriculture and support it. We should mobilize and organize peasants to develop agriculture successfully in the spirit of self-reliance and hard struggle. From now on, the top leaders of party organizations should grasp agriculture. What should they do in this regard? In my opinion, they should grasp the implementation of the party's rural principles and policies, the improvement of grass-roots rural organizations, and the ideological and political work in rural areas. At the same time, it should be made clear that strengthening the position of agriculture as the foundation is not only a task of the agricultural department, but a task of the whole society. Agriculture deserves the attention of the whole society and the support of people of all walks of life. From now on, all trades and departments should take it as their bound duty to support agriculture. In particular, departments closely related to agriculture should take it as their duty to reap a bumper harvest. All departments should let this guiding ideology dominate their concrete work, study and formulate specific measures and methods for supporting agriculture, and try to put them into practice. Water conservation, industrial, commercial, and scientific research units and institutions of higher learning should also show concern for the rural areas and agriculture. In short, all departments should be eager to meet the needs of peasants, think in the same way as peasants, strive to improve their work, and render good service to peasants.

Today's meeting was presided over by Governor Shen Zulun. Leading comrades attending the meeting included Xu Xingguan, Wu Zhichuan, Wang Zhonglu, Chai Songyue, and Shang Jiangcai. Also present was Tie Ying, member of the Central Advisory Commission.

Vice Governor Xu Xingguan made an important speech at the meeting on behalf of the provincial party committee and government.

## Central-South Region

### Guangdong Enterprise Closures Surpass 4,000

HK2310061689 Hong Kong WEN WEI PO in Chinese  
23 Oct 89 p 4

[Report: "More Than 4,000 Companies Closed Down or Suspended From Production in Guangdong; Over 2,000 Party and Government Cadres Give up Their Part-Time Jobs in Companies"]

[Text] A few days ago, the leading group of the Guangdong Province for screening and reorganizing companies held a press briefing to give an account of the screening and reorganization work and discuss steps to be taken at the next stage.

To date, of the 34,877 companies throughout the province included in the list for undergoing screening and reorganization, 32,328 companies have been screened, accounting for 92.7 percent. The enterprises to be closed down, merged with other enterprises, downgraded, or suspended from production totaled 4,200. Of the 3,147 companies run by the provincial party and government organs and mass organizations, 712 were closed down and 64 were transferred to other enterprises for operation and management. Of the 2,951 party and government cadres who assumed part-time posts in the companies, 2,622 resigned, accounting for 89 percent. Of the 614 enterprises where the functions of government administration were not separated from enterprise management, 77 were shut down, 224 were deprived of administrative management powers, and licenses of 87 were revoked. There were 5,662 cases of companies violating laws and discipline, and the fines imposed totaled 287 million yuan.

At the press briefing, Vice Governor Liu Weiming said that the desired results of the screening and reorganization work have not yet been achieved. The next stage is: First, screen and reorganize the companies directly under the provincial organs; second, be determined to merge a number of companies; third, screen the private enterprises set up in the name of state or collective enterprises; fourth, sternly punish the selling and reselling of ratification letters, licenses, essential means of production, durable consumer goods in short supply, illegal purchases of foreign exchange, and tax evasion by party and government organs, leading cadres, and their relatives; fifth, introduce the responsibility system for governors, mayors, and magistrates and affix the responsibility on the chiefs of the government or department concerned for the units under them that have not thoroughly undergone the screening work or have done the work perfunctorily; and sixth, invite people's congresses and people's political consultative conferences to conduct inspection in the cities and counties.

**Report Outlines Economic Crime by Guangdong Youths***HK2210082289 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0751 GMT 18 Oct 89*

["Economic Crime by Young People in Guangdong is Serious"—ZHONGGUO XINWEN SHE headline]

[Excerpt] Guangzhou, 18 Oct (ZHONGGUO XINWEN SHE)—Like the large numbers of young people involved in criminal cases, a document which disclosed the seriousness of economic crime by young people in Guangdong has indeed shocked the public.

According to statistics, of the 9,200 offenders involved in 8,400 corruption and bribery cases filed by the Guangdong procuratorial organs for investigation from 1982 to August 1989, offenses by young people under the age of 30 accounted for 46.4 percent. Of the 3,500 offenders involved in 2,700 corruption and bribery cases, each over 10,000 yuan, young people under the age of 30 accounted for 51.8 percent.

It has been disclosed that one characteristic of economic crime by young people in Guangdong is the increasing number of major cases and increasing amount of money involved. From January to August this year, Guangdong filed 177 corruption and bribery cases, each over 10,000 yuan, for investigation, more than 100 percent over the same period last year. The money involved reached an average of 60,000 yuan, the highest in recent years. Of the cases involving over 100,000 yuan filed by the province for investigation and prosecution, offenses by young people accounted for 46.8 percent. The offenders of the five major cases which took place recently in Guangdong, each involving over 1 million yuan, were all youths under the age of 25.

Another characteristic of economic crime by young people is the increasing number of offenders who abscond after committing crimes. With the mentality of "running away after getting the money," a number of young offenders abscond with the money once they succeed. In the first eight months of this year, more than 50 young offenders involved in corruption and bribery in Guangdong absconded to avoid punishment. In Shenzhen alone, 8 young offenders fled the country.

Some personages concerned pointed out that economic crime by young people in Guangdong is prominent. Viewed superficially, the cases are simple. However, these people committed offenses recklessly. To "get money," they unscrupulously committed crimes regardless of the consequences. After "getting" the money, they spent it extravagantly, resulting in sabotage and harm far more serious than ordinary economic crime. [passage omitted]

**Guangdong SEZ Port Venture Bankrupt***HK1910025589 Hong Kong SOUTH CHINA  
MORNING POST (BUSINESS POST) in English  
19 Oct 89 p 1*

[By Geoffrey Crothall]

[Text] A major Sino-foreign joint-venture company in the Zhuhai special economic zone has officially been declared bankrupt and its assets put out to tender.

The Nanhai Oil Zhuhai Service Corp (NOZSC) was established in 1984 to build and manage a deep-water port complex and a residential and commercial estate in Zhuhai to accommodate the influx of oil companies anticipated by the prospects of an oil bonanza in the South China Sea.

But the oil bonanza never materialised and most oil companies have shifted their attention to the Gulf of Bohai and the East China Sea. The only two companies still active in the South China Sea are Amoco and Atlantic Richfield, which has a well established gas exploration project off Hainan Island.

The Zhuhai complex was finally completed earlier this year, but so far the only tenants have been a few Chinese oilmen down from the Daqing Oilfield in the north on holiday.

The under-use of the complex, coupled with financial mismanagement, caused the Chinese partners to file for bankruptcy.

The liquidation committee, established on April 1, decided over the weekend to sell off the company's assets as a whole rather than break up the complex.

"We will only accept bids for the whole complex. Under no circumstances will we sell off separate parts of the company's assets," a spokesman for the liquidation committee in Zhuhai said.

She would not specify what the liquidation committee had valued NOZSC's assets at, but reiterated the committee's guarantee that NOZSC's major creditor, Lloyds Bank of London, would have its loan repaid according to the original schedule.

The final instalment of the U.S.\$64 million loan issued in 1984 is due for repayment in 1994.

"We would obviously prefer an overseas buyer for the complex, but several Chinese companies have already expressed interest. If we can't find a foreign buyer then we would certainly be willing to accept bids (in renminbi) from Chinese institutions," the spokeswoman said.

The assets have already been put out to tender in Hong Kong and Macao but analysts are doubtful if any corporations would be willing to take over the complex as a whole.

The only companies who might agree to buy up the assets would be financial institutions with long-standing relations with China who would simply be doing China a favour in taking the complex off its hands, they added.

Several Hong Kong companies would be interested in acquiring part, or all, of the residential complex and restaurants if the liquidation committee changed its mind and agreed to sell off NOZSC's assets separately, but the two deep-water wharfs in Jiuzhou harbour were of marginal interest, analysts said.

"I'm sure they won't dump it on the market. If they can't get a foreign buyer for the asking price then I think they will try to run it themselves," said one source close to the project.

The Chinese corporations rumoured to be interested in the complex are port management companies as well as China International Travel Service which would seek to turn the complex into a holiday resort.

#### **Guangxi CPC Meeting Views Economic Problems**

*HK2110070789 Nanning Guangxi Regional Service  
in Mandarin 1100 GMT 20 Oct 89*

[Excerpts] The Guangxi Regional CPC Committee held a Standing Committee meeting on 18 October to listen to reports from the departments concerned on industrial and agricultural production, analyze and sum up this year's production situation and experiences, and make arrangements for work in the coming winter and spring.

Responsible persons of the agricultural departments said that following the bumper summer grain harvest, Guangxi's autumn grain production has encountered one of the most extensive and prolonged droughts ever recorded. The area affected is over 6 million mu. [passage omitted] It is estimated that autumn grain output will nevertheless show an increase over last year. There are hopes that total grain output for the year will reach about 25 billion jin, an increase of about 4 billion jin over last year.

However, agricultural production in the coming winter and spring is facing a grim situation. In particular, the drought is serious and is continuing to spread. At present many ponds and reservoirs are dry, rivers have partly dried up, and total effective reservoir storage is only 1.7 billion cubic meters, which is only 18 percent of the effective storage capacity. Over half the large and medium-sized reservoirs are dry or basically dry.

The rainy season is now over, and there is no hope of increasing reservoir storage from rain. There will be serious problems regarding water for next year's early rice crop, and it will be difficult to find drinking water for people and livestock in some places.

Responsible comrades of the industrial departments reported on the situation in industry. The region's industrial production has encountered unprecedented difficulties this year, the main ones being shortage of energy

supply, capital, and raw materials, and higher prices. Railroad transport has been under strain, and the markets have softened. Thanks to the efforts of the party and government leaders and the enterprise cadres and workers, the region's industrial output value from January to September was 14 billion yuan, an increase of 7.6 percent over the same period last year. This was lower than the 8.9 percent average national growth for the period.

However, we have still not extricated ourselves from the difficulties in industrial and communications production and commodity circulation. First, the shortage of energy, especially electricity, is becoming more and more serious. Second, the contradiction of capital shortage remains conspicuous. Third, market sales have softened, and stockpiles have increased. Fourth, the allocation of raw materials under the plan has continued to drop, while the proportion of raw materials not covered by the plan has increased. Production costs can hardly be reduced. All these factors will affect the development of Guangxi's industrial production. [passage omitted]

The regional party committee Standing Committee called on the whole party and the whole of society to mobilize, see the favorable factors and also squarely face the difficulties, and work with concerted efforts at all levels to tide over the difficulties.

In agriculture, it is first necessary to overcome the drought. The leaders at all levels must work to resolve the water shortage. [passage omitted] Next year's sown area must be stabilized at over 53 million mu, an increase of over 1 million mu compared with this year. We must vigorously popularize hybrid rice and maize. During the winter we must grow 5 million mu of green manure crops. [passage omitted]

#### **Guangxi Concludes Taxation Meeting; Wei Speaks**

*HK2010132789 Nanning Guangxi Regional Service  
in Mandarin 1100 GMT 19 Oct 89*

[Excerpts] The regional taxation work conference concluded on the afternoon of 18 October after 5 days of session.

Guangxi People's Government Chairman Wei Chunshu emphasized at the meeting: In the spirit of the 4th Plenary Session of the 13th CPC Central Committee and the National Day speech by Comrade Jiang Zemin, we must further implement the essence of four documents issued by the State Council on straightening out and tightening control over taxation work, do a good job in tax collection, overfulfill the taxation tasks for this year and make new contributions in stabilizing the region's economy and furthering reforms. [passage omitted] He continued: This year the economic situation in the region is, generally speaking, good, but we are faced with many problems and difficulties and the financial situation is very serious. To weather the difficulties and balance budgetary revenues and expenditures, tax bureaus must work hard to increase revenue.



Chairman Wei Chunshu called on tax officials and workers of the region to develop the spirit of sharing worries with the state and continue their selfless devotion, buckle down to the work, and pool all wisdom and effort to do taxation work well in an attempt to increase revenue. People's governments at all levels of the region, he also said, must give more leadership to, concern themselves about, and support taxation work. All departments concerned must also render cooperation and support to the work of tax departments.

### **Guangxi Secretary Stresses Study of Jiang Speech**

*HK2310020789 Nanning Guangxi Regional Service  
in Mandarin 1100 GMT 22 Oct 89*

[Excerpts] According to GUANGXI RIBAO, a study meeting attended by leading comrades of the regional organs and the prefectures, cities, and counties concluded on 21 October. Through seriously studying the documents, holding lively discussion, and summing up and reflecting on things in conjunction with reality, the participating comrades deepened understanding of the spirit of Comrade Jiang Zemin's National Day speech, further unified their thinking, distinguished between right and wrong, obtained a clear picture of the orientation, boosted confidence, and enhanced awareness and determination for carrying out the party's basic line. [passage omitted]

In a speech at the concluding session, Chen Huiguang, secretary of the regional party committee, affirmed everyone's achievements in study and stressed the following issues in seriously studying and grasping the spiritual essence of Comrade Jiang Zemin's National Day speech:

China's revolution and construction must be led by the CPC. Strengthening the party's leadership in this respect is the core issue in promoting the advance of the socialist cause. [passage omitted] We must unwaveringly uphold the party's leading position in all work, give full scope to the political core role of the party organizations at all levels, uphold the party's political, ideological, and organizational leadership, and strengthen party building with the focus on improving the quality of the party members and the combat strength of the party organizations. [passage omitted]

We must integrate adherence to the four cardinal principles with adherence to reform and opening up. [passage omitted]

We must continue to implement the guiding ideas and policy principles of the CPC Central Committee and State Council on economic work. The CPC Central Committee's guiding ideas and policy principles on taking economic construction as the core and developing China's economy will certainly not be changed on account of the turmoil and rebellion. [passage omitted]

We must continue to display the revolutionary spirit of self-reliance and arduous struggle. Guangxi is rather

poor because its foundation is weak and its economic development slow. Hence, we must vigorously promote education in arduous struggle, and ensure that a thick atmosphere of arduous struggle will form among all the party members, cadres, and masses.

We must consolidate and develop the political situation of stability and unity to ensure the smooth progress of reform, opening up, and construction. Proceeding from our region's realities, we should promote the building of socialist democracy and legal system under leadership and in an orderly way. At present we must get a good grasp of the post-turmoil investigation and cleanup, and resolutely crack down according to law on criminal activities and economic crime of all types, to ensure that the people of the whole region will have a stable environment for work and society.

We should vigorously step up the building of socialist spiritual civilization. At present the most important thing is to take effective steps to strengthen ideological and political work, correct the party style, improve the people's work style, and seriously grasp the antipornography drive, to clean the social atmosphere.

Chen Huiguang in conclusion hoped that on returning to their units, the party leaders in the meeting will continue to study seriously and organize and lead the cadres and party members to study the spirit of Comrade Jiang Zemin's National Day speech and implement it in all work.

During the meeting Tao Aiyang, deputy secretary of the regional party committee, spoke on deepening the rural reforms and on agricultural production issues in the coming winter and spring.

### **Hubei Secretary Guan Praises TV Series**

*HK2310075789 Wuhan Hubei Provincial Service  
in Mandarin 1000 GMT 21 Oct 89*

[Excerpts] Provincial party committee Secretary Guan Guangfu yesterday afternoon listened to reports on the production, creation, and filming of the television series (Huangmajinlei) given by Director Zhang Jinxian and Deputy Director (Huang Wenhong) of the provincial Broadcasting and Television Department. On this occasion, Secretary Guan Guangfu said that the theme of the television series is good, and he made an important speech on the province's creation of television. In his speech, Comrade Guan Guangfu fully affirmed what our province has achieved in the production of television series in recent years and specially emphasized that while creating television series and literary and art works at present, we must take the overall situation in the ideological, propaganda, and cultural fields of our country into consideration. The present key task of the ideological, propaganda, and cultural fields is to mobilize and organize millions of people to adhere to party leadership and socialism and follow the socialist road with Chinese characteristics. Broadcasting and television departments should vigorously promote the creation of television

series and provide more and better spiritual products to meet the intellectual and cultural needs of the people. [passage omitted]

Comrade Guan Guangfu pointed out: Our province must create more television series eulogizing the glorious revolutionary traditions, in order to educate the later generations and present gifts to the revolutionary martyrs in the nether world. [passage omitted]

He continued: The television series (Huangmajinlei) touches people strongly and is well acted, which is of very important immediate significance for upholding the party's four cardinal principles and opposing bourgeois liberalization. It also contributes to encouraging the masses of the people, especially younger generation, to never forget where their happiness comes from and to learn, inherit the glorious revolutionary traditions, carry forward the revolutionary cause and forge ahead into the future, and work hard for the four modernizations. [passage omitted]

In conclusion, Guan Guangfu said: More guidance should be given to the production of television series in the future, and a public appraisal will be given to television series produced in recent years to make literature and art on television prosper further. Meanwhile, conditions must be created to train more noted playwrights, directors, and journalists to work better for the building of socialist spiritual and material civilizations.

### North Region

#### Beijing's Li, Chen Stress Political Work

OW2010104889 *Beijing Domestic Service in Mandarin*  
2230 GMT 16 Oct 89

[From the "News and Press Review" program]

[Text] According to a report by the Beijing People's Broadcasting Station, austerity was practiced at the Enlarged Meeting of the Seventh Plenary Session of the Sixth Beijing Municipal CPC Committee, which just ended. The austerity served as a good example for leaders in Beijing Municipality. Held in the Longshan Guesthouse of Huairou County, the meeting, which lasted 5 days, focused on studying party building and ideological and political work.

The Beijing municipal party committee practiced the principle of industriousness and austerity throughout the meeting. Yuan Liben, member and secretary general of the Standing Committee of the Beijing municipal party committee, announced on the day the meeting opened that it would be held strictly in accordance with the standards provided for meetings, that the authorities of Huairou County were not permitted to grant any subsidy to the meeting, and that simple meals would be served for every participant. Li Ximing, secretary of the Beijing municipal party committee; Chen Xitong, mayor of Beijing; members of the Standing Committee of the

Beijing municipal party committee; and all the other participants had homely food in the mess hall in the course of the meeting. No soft drinks, beverages, or wine were served.

The building to the north of the Longshan Guesthouse in Huairou County was formerly the county's guesthouse. The facilities in the building were of poorer quality. A number of leaders of departments, commissions, and offices and of districts and counties in Beijing Municipality were accommodated in the building for the meeting. Though food and lodging were not as good as before, all of them were in high spirits. They earnestly studied Comrade Jiang Zemin's speech and discussed the issue of strengthening party building. Anticipated objectives were achieved in the end.

#### Further National Day Activities of Beijing's Li

##### Attends 26 Sep Celebration

SK2210104389 *Beijing BEIJING RIBAO in Chinese*  
27 Sep 89 p1

[Excerpts] The lounge of the Guoji Hotel was filled with joy. Spring was very much in the air. Yesterday, more than 600 democratic personages from various circles throughout the Beijing municipality gathered together there. They were invited by the municipal committee of the Chinese People's Political Consultative Conference [CPPCC] and the United Front Work Department of the municipal party committee to attend a gathering to celebrate the 40th anniversary of the founding of the PRC.

Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing municipal party committee, Wang Xian, chairman of the municipal Advisory Commission, Zhao Pengfei, chairman of the municipal People's Congress Standing Committee, and Bai Jiefu, chairman of the municipal CPPCC committee, came joyfully to the gathering of democratic personages to jointly celebrate the festive occasion with their old friends. [passage omitted]

##### Makes Speech

SK2310050489 *Beijing BEIJING RIBAO in Chinese*  
27 Sep 89 p 1

[Speech given by Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing municipal party committee, at a National Day gathering cosponsored by the municipal Chinese People's Political Consultative Conference (CPPCC) committee and the United Front Work Department of the municipal party committee on 26 September]

[Text] Comrades and friends:

The 40th anniversary of the National Day will come a few days from now. On the occasion when we have won a decisive victory in halting the turmoil and quelling the counterrevolutionary rebellion and are preparing to greet the brilliant festival of the 40th anniversary of the

National Day with great joy, please allow me to take this opportunity to extend festive greetings to comrades and friends of all circles who are present at today's gathering on behalf of the municipal party committee and government, and through you, extend cordial regards and heartfelt thanks to all democratic party members, non-party personages, persons of various nationalities of all religious circles and all patriotic persons on all fronts who have made contributions to the capital's socialist modernization drive and the reform and opening-up undertakings.

During the 40 years since the founding of the PRC, earth-shaking changes have taken place in Chinese history. Under the leadership of the communist party of China, the brave, hardworking Chinese people of various nationalities used their own blood and sweat to maintain independence through self-reliance. Through arduous struggle and extreme hardships, we have initially turned our densely-populated, semi-feudal and semi-colonial country from the state of poverty and blankness, into a prosperous socialist country. In international affairs, our country has played an increasingly important role. Particularly during the 10 years of reform and opening up, our country made tremendous achievements that caught world-wide attention in its socialist development and improvement in the people's living standards. During the 40 years from peaceful liberation until now, Beijing traversed a brilliant course. This was a tortuous path filled with dedicated spirit, unremitting efforts and hardships. Through 40 years of efforts, Beijing has changed from a waning city which greatly suffered from the exploitation and oppression of the imperialist, feudalist and bureaucrat-capitalist class into a thriving capital of the PRC; from a city with abnormal consumption into a comprehensive industrial city with fairly good economic strength; and from an old city which had long been shackled by a semi-colonial and semi-feudal culture into a cultural center with brand-new socialist ideology and modern science and technology. Particularly since the 1980's, our great capital of Beijing has achieved all the more remarkable progress in modernization.

Recalling the brilliant course which our country traversed during the past 40 years, we have a sense of incomparable pride. The 40-year history of progress in the republic and achievements in Beijing's development and construction has proved incontrovertibly that only socialism can save China and only socialism can develop China. The socialist system, which the Communist Party of China led the broad masses of people to establish with their lives, blood and continued effort, conforms with the objective law of historical development, reflects the desire and demand of the people throughout China, and also manifests the fundamental interests of the 1.1 billion people.

Not long ago, under the correct leadership of the party Central Committee, we quelled the counterrevolutionary rebellion in the capital, enabled the republic and our people to avoid the great disasters of splitting, retrogression, and confusion, and safeguarded the new democratic

revolution, the socialist revolution and the 40 years of achievements in socialist construction, and in reform and opening up. This will exert a far-reaching influence on China's adherence to the socialist orientation of development, on and the international socialist and communist movements. After the suppression of the counterrevolutionary rebellion, although we will face many arduous tasks, we have fuller confidence of the future. This is because we have seen more clearly the danger and threat of the "peaceful evolution" conducted by the international monopoly capitalist class, and have further enhanced our consciousness of adhering to socialist orientation and principles, and persisted in the struggle to oppose infiltration and subversion and bourgeois liberalization. With the correct leadership of the new party Central Committee with Comrade Jiang Zemin as the core, the whole party and the people throughout the country will become more united, be firmer in correctly implementing the party's basic line consisting of "one focus and two basic points," be consistent in adhering to the four cardinal principles, and be bolder in carrying out reform and opening up. We will also correct the mistakes and straighten out the deficiencies in our past work with firm determination as soon as possible, overcome all sorts of passive and corrupt phenomena, strengthen party building and administrative honesty, and resume and develop the flesh-and-blood ties between the party and the masses of people. In the course of leading revolution and construction, in addition to achieving success and winning victory, our party has also committed mistakes of one kind or another. However, after committing mistakes, our party has the ability to understand and correct the mistakes. Our party will make mistakes but it will also rapidly correct mistakes. This is where the power to unceasingly develop and advance our cause lies.

Comrades and friends: The united front is one of the great magic weapons for carrying out China's revolution and construction. Since the founding of the country 40 years ago, the united front has advanced and developed unceasingly along a tortuous road. After the 3d Plenary Session of the 11th party Central Committee, the united front has entered a new stage of historical development and has made great contributions to "reunifying the motherland and vitalizing China." During this turmoil and the counterrevolutionary rebellion, the patriotic united front of our Beijing Municipality experienced an extremely severe test. We are happy to see that most of the democratic party members throughout the municipality, nonparty personages, people of various nationalities and of all religious circles, returned Overseas Chinese and families of "compatriots from Hong Kong, Macao, and Taiwan," took the overall situation into account. Under an extremely difficult situation, many friends did lots of work and played an active role in stabilizing the situation in the capital, and safeguarded the implementation of the correct policy decisions of the party Central committee. Through this turmoil and the counterrevolutionary rebellion, the political basis for multi-party cooperation under the leadership of the



communist party will become more firm and the united front will be more fully developed on a more solid foundation. Any doubts or worries about this issue are groundless and unnecessary. Here, I want to tell you sincerely and frankly that no matter what storms or setbacks we may encounter on our road of advance, we will work together with all nonparty friends from various circles to unswervingly implement the policy of "long-term coexistence and mutual supervision," and the principle of "treating each other with all sincerity and sharing weal and woe," and to actively consolidate and develop the patriotic united front. We hope that all democratic parties and all nonparty persons from various circles will enhance their spirit, work more, fully display their own abilities, and make positive and greater contributions to advancing the capital's socialist modernization cause and doing a better job in managing all undertakings in the capital.

We wish all comrades and friends a happy festival and good health.

### Beijing's Li at Meeting on Scientific Gains

SK2210094589 Beijing City Service in Mandarin  
1000 GMT 29 Sep 89

[Excerpts] The municipal scientific and technological circles have achieved fruitful results in the activities to make 100 scientific and technological contributions to greet the 40th anniversary of the founding of the country.

At a meeting held this morning to summarize the scientific and technological achievements and to commend the advanced, Li Ximing, member of the Political Bureau of the CPC Central committee and secretary of the municipal party committee, and Chen Xitong, state councillor and municipal mayor, highly praised the municipal scientific and technical personnel for their realistic and dedicated spirit of patriotism. Their acts have manifested the fine qualities of the Chinese intellectuals who have lofty ideals, firm conviction, noble character, and a high sense of mission. They are the real elite of the times.

In February this year, the municipal Scientific and Technological Commission called on the municipal scientific and technological circles to display the spirit of dedication, to work hard for 1 year, and to greet the festive occasion of the 40th anniversary of New China with effective scientific and technological achievements. The scientific and technological circles in the capital warmly responded to this call. [passage omitted]

Li Ximing and Chen Xitong pointed out at the meeting: China's intellectuals have always maintained the fine traditions of patriotism, national integrity, and a sense of historical responsibility. This is well-known in the world. Since the turmoil and rebellion, most of the scientific and technological personnel have stood fast at their posts and adopted a firm and clear-cut stand. They are the real elite of the times.

In their speeches, Li Ximing and Chen Xitong pointed out "four un-changes"—the policy toward intellectuals will remain unchanged; while advocating dedication, the principle of distribution according to work will remain unchanged; the reform measures such as the system of "three guarantees and one linkup" and the director responsibility system of the scientific research institute will remain unchanged; and the policies to promote new-technology industries will remain unchanged.

### Inner Mongolia Secretary Chairs Party Meeting

SK2210130789 Hohhot Inner Mongolia Regional  
Service in Mandarin 1130 GMT 21 Oct 89

[Excerpts] On the morning of 19 October, Wang Qun, secretary of the autonomous regional party committee, presided over an enlarged meeting of the Standing Committee of the autonomous regional party committee to particularly discuss agricultural and animal husbandry production. The meeting called for mobilizing the entire party, developing the [word indistinct] advantages, and putting more efforts into agricultural and animal husbandry development to ensure that next year's grain production is pushed up to a new stage. Attending the meeting were Standing Committee members of the autonomous regional party committee, vice chairmen of the autonomous regional government, and responsible persons of the autonomous regional departments in charge of agricultural and animal husbandry, and other departments concerned. [passage omitted]

It was pointed out at the meeting: The basic way to develop agriculture is to rely on 1) policies, 2) science and technology, and 3) investment. In addition to these three factors, we should add another one, that is, the spirit of self-reliance, plain living and hard struggle, which is not only the basic experience gained in the past 40 years after the founding of the country but also the basis we should depend on in order to greatly develop agricultural and animal husbandry production. Without it, it will be very difficult for the first three factors to develop their due role. As far as policies are concerned, the policy research office of the autonomous regional party committee, the autonomous regional agricultural commission, and other departments should proceed from reality to put forward specific opinions in line with our future fighting goals. We should pay particular attention to implementing an agriculture-emphasizing policy and encourage peasants and herdsman to carry out large-scale farmland capital construction, greatly develop and repair water conservancy projects, improve the soil, accumulate large amounts of manure, and plant trees on a large scale. We should see to it that our policies help arouse the enthusiasm of all quarters, help encourage the state, the collective and the individual to pool their efforts, and help encourage all trades and professions to support agriculture and animal husbandry. We should foster the idea of developing agriculture through science and technology. The focus of our region's current work to popularize agroscientific knowledge is to strengthen the technical training of grass-roots



cadres and the masses of peasants and herdsmen, successfully disseminate scientific and technical knowledge, and widely adopt applicable technology for production. The autonomous region should make use of the slack farming season in the coming winter and spring to hold training for the deputy heads in charge of scientific and technological work of all banners and counties. All leagues, cities, banners, and counties should also train some backbone personnel. The autonomous region has decided to devote a period of about 5 years to bring up one primary- or middle- level scientific and technical person from each peasant and animal husbandry household throughout the region. We should work out all possible means to increase the investment in agriculture and animal husbandry. In addition to the investment made by the autonomous region, we should pay more attention to encouraging the investment by local authorities. In particular, we should encourage the masses of peasants and herdsmen to increase investment. From now on, investment should be made emphatically to improve the irrigation conditions of land. Departments concerned should formulate plans to make the region's irrigated areas increase by 1.5 million mu every year. [passage omitted]

#### **Inner Mongolia Secretary Attends Monument Unveiling**

*SK2210105189 Hohhot Inner Mongolia Regional Service in Mandarin 1130 GMT 20 Oct 89*

[Excerpt] A ceremony to unveil the monument in commemoration of the Bailingmiao anti-Japanese armed rebellion was held this morning in the major town of Bailingmiao of Darhan Muminggan grassland. Wang Qun, secretary of the autonomous regional party committee, and Bu He, deputy secretary of the autonomous regional party committee and chairman of the autonomous regional government, unveiled the monument. Attending were leading persons of the autonomous regional party and government organs, and the committee of the Chinese People's Political Consultative Conference, including Zhang Dinghua, Batubagen, Ke Ligeng, Sha Tuo, Wu Ligeng and Yun Zhaoguang. Veteran comrade Yun Lili, who had worked in Inner Mongolia for a long period of time, also attended. [passage omitted]

#### **Northeast Region**

##### **Jilin's He Addresses Investigation Meeting**

*SK2010024089 Changchun Jilin Provincial Service in Mandarin 1030 GMT 19 Oct 89*

[Text] On the morning of 19 October, He Zhukang, secretary of the Jilin Provincial CPC Committee, delivered a speech at the provincial meeting on exchanging the experience gained in the work of carrying out investigation and study.

In his speech, He Zhukang emphatically pointed out that in the current course of studying the speech of Comrade

Jiang Zemin, we should carry forward the fine tradition and work style of integrating theories with reality, realistically do a good job in carrying out investigation and study, and deal in a down-to-earth manner with the specific problems and difficulties on our advancing road to promote the development of the province's program of building the socialist modernization.

In his speech, Comrade He Zhukang also stressed that Comrade Jiang Zemin's speech made at the celebration of the 40th anniversary of the PRC's founding is a programmatic document which is guiding the work of the party as a whole and is a guiding principle for the work of carrying out investigation and study at present or in the future. Therefore, by regarding Comrade Jiang Zemin's speech as guidance and based on studying the speech's spirit, localities throughout the province should conduct investigation and study step by step and, while vigorously engaging in study, formulate as soon as possible specific plans to truly implement the speech's spirit in various fields.

In his speech, Comrade He Zhukang fully acknowledged the great amount of work done over the past many years by the departments in charge of investigation and study at all levels throughout the province and the excellent experience accumulated through their work. He also further elaborated on the importance of paying great attention to and enhancing the investigation and study work. He urged leading cadres at all levels, particularly leading cadres at or above the county level, to set good examples by going deep into reality and the masses to do a good job in carrying out investigation and study; to lead the broad masses of cadres to bring a change in work style and to energetically encourage the practice of investigation and study; to tighten their ties with the masses through unremittingly carrying out painstaking investigation and study; to overcome blindness in their work; to enhance their consciousness; and to upgrade their capability of controlling the situation and their work standard so as to enable various policies to be enforced in a more scientific and democratic way.

In his speech, Comrade He Zhukang also pointed out: Research offices of party committees at all levels should be the brain trust of their own committees. He urged comrades in departments in charge of investigation and study at all levels to enhance their sense of mission and honor, to firmly grasp the problems for which the masses and the party show most concern and which urgently need to be solved, to do a good job in carrying out investigation and study among the problems which can affect the situation as a whole, and to present counter-measures and suggestions for handling these problems.

The provincial meeting on exchanging experience gained in the work of carrying out investigation and study was held in the city of Changchun on 18 October with the participation of leading comrades, including Du Qinglin and Wu Yixia; Ren Junjie, secretary general of the provincial party committee; Li Yaquan, director of the

policy research office under the provincial party committee; and responsible comrades from various cities, prefectures, autonomous prefectures, and research offices.

During the meeting, nine units, including the Changchun City CPC Committee and the Siping City's policy research office, delivered reports on describing their experiences gained in the work.

### **Jilin's He Cuts Ribbon for Interferon Base**

*SK1910074189 Changchun Jilin Provincial Service in Mandarin 1030 GMT 18 Oct 89*

[Excerpt] The construction of an industrial production base area, which is one of the state's key industrial experimental project during the Seventh 5-Year Plan period, and China's first base area to develop interferon—a gene project—completed today at the Changchun Biological Products Research Institute of the Ministry of Public Health 1 year ahead of schedule.

He Zhukang, secretary of the provincial party committee, Liu Xilin, vice provincial governor, and responsible comrades of the provincial and Changchun City departments concerned, totaling more than 100 persons, attended the ribbon-cutting ceremony to mark the formal operation and production of this project. [passage omitted]

### **Liaoning's Quan Meets Report Group Members**

*SK1910073189 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 18 Oct 89*

[Text] From 18 October, the report group initiated and organized by the organizational and propaganda departments under the provincial party committee and the provincial Discipline Inspection Commission in order to publicize the advanced deeds scored by model party organizations and outstanding Communist party members at grassroots levels throughout the province will tour 14 cities and give reports on these advanced deeds.

The report group includes 17 representatives of advanced grassroots-level party organizations and outstanding Communist party members.

On the afternoon of 17 October, leading comrades of the provincial party committee and the provincial People's Government, including Quan Shuren, Sun Qi, Li Changchun, and Wang Julu, received all comrades of the report group. During the reception, these leading comrades also delivered speeches in which they pointed out that making a tour of cities to give reports represents an important activity of enhancing party building throughout the province. They urged all comrades of the report group to earnestly publicize the advanced deeds scored by their own units or themselves so as to promote party organizations at all levels throughout the province to further concentrate their efforts on successfully carrying out the work of party building and to enable every grassroots-level party organization and Communist

party members to better bring their combat-bastion and model-vanguard role into play.

### **Liaoning's Quan Addresses Municipal Leaders**

*SK1810055589 Shenyang Liaoning Provincial Service in Mandarin 2300 GMT 13 Oct 89*

[Excerpts] The Liaoning Provincial CPC Committee and the provincial People's Government cosponsored a provincial meeting of city party committee secretaries and mayors from 10 to 11 October.

According to the guidelines of the 4th plenary session of the 13th party Central Committee and Comrade Jiang Zemin's speech at the meeting to mark the 40th anniversary of National Day, the meeting analyzed the political and economic situation of the province and arranged the work for the coming winter and spring.

At the meeting, Governor Li Changchun made a speech entitled "The people of the province should be mobilized and inspired with enthusiasm for combating the natural disasters and saving themselves, and try every possible means to stabilize the economy and to promote agricultural and industrial production." Vice Governor Xiao Zuofu made a speech entitled "Have a firm belief, be inspired with enthusiasm, and try every possible means to reap a bumper agricultural harvest during next year." Quan Shuren, secretary of the provincial party committee, made a summing-up speech at the meeting.

The meeting stressed: Party committees at various levels should organize the broad masses of party members, cadres, and the people to conscientiously study Comrade Jiang Zemin's National Day speech; and seek unity of thinking and action with the guidelines of the speech. In studying the speech, we should carry forward the fine party style of linking theory with practice; proceed from the reality of checking the disturbances and quelling the counterrevolutionary rebellion, the achievements made over the past 40 years since the founding of the PRC and those made during the last decade of reforms, the reality of the difficulties in the current economic work, and the reality of spiritual civilization and party building; unify our thinking of major issues with the party Central Committee's line, principles, and policies; and work with one heart and soul to attend to the work in all fields.

After analyzing the provincial political and economic situation, the comrades participating in the meeting pointed out: After checking the disturbances and quelling the counterrevolutionary rebellion in Beijing, particularly since the convocation of the 4th plenary session of the 13th party Central Committee, all the people and the whole party in our province have further unified their thinking and upgraded their awareness of implementing the party's basic line. Although the province's agricultural production was affected by the serious natural disasters, the cadres and people have maintained a good state of mind and the overall situation is stable. However, the problems ahead of us are severe. The disturbances and the counterrevolutionary rebellion that

took place [words indistinct] had a serious impact and resulted in serious losses. The task for seeking unity of thinking is arduous and complicated. A new situation and new problems have emerged in the economic sphere due to the natural disasters. The historically exceptional severe droughts during last July and August went far beyond our capability to cope with. Grain and soybean production was reduced by a big margin. The droughts directly brought about more than 3 billion yuan of losses to the agricultural front. The severe droughts not only brought about gigantic losses to agricultural production but also brought about many difficulties to the fulfillment of the national economic plan and the people's livelihood. The difficulties in industrial production became even more serious due to the implementation of the measure for ensuring the supply of electricity for agricultural use. As a result, some industries suffered economic losses, and the fulfillment of the revenue plan was not ideal enough due to the lower industrial growth rate. There is a comparatively large gap between purchases and sales of grain and oil-bearing crops and there are difficulties in [words indistinct] of grain. New [words indistinct] factors affecting market prices have been produced. The serious strain on water supply in the urban and rural areas has directly threatened the supply of water for next year's agricultural production and for some dwellers. The province is short of funds for agricultural production. The disaster-stricken people are living in extremely strained circumstances. The overall economic situation is getting increasingly more severe with each passing day.

The meeting pointed out: Unifying the thinking of the broad masses of cadres and people in line with the guidelines of the 4th plenary session of the 13th party Central Committee and Comrade Jiang Zemin's speech; clearly understanding the economic situation ahead of us; being inspired with a revolutionary spirit; and attending to the drought-combat and self-salvation work are urgent economic tasks in the coming winter and spring. We should continuously implement the principle of improving the economic environment, rectifying the economic order, and deepening reforms; timely mobilize and organize the people of various nationalities across the province to wage an arduous struggle through self-reliance, to further deeply launch the campaign of increasing production, practicing economy, increasing revenues, and reducing expenditures, and to vigorously launch the drought-combat and self-salvation campaign; strive to ensure not to reduce tax revenues despite the disasters and to make the decline in revenues less despite the big decline in production; and strive to promote agricultural and industrial production. We should realistically adopt such advantageous measures as follows: 1) We should mobilize the masses to continuously combat the disasters, make good preparations for next year's agricultural production, and strive to reap a good agricultural harvest in 1990. [passage omitted] 2) We should attend to the grain purchasing and marketing work and make good arrangements for grain markets. [passage omitted] 3) We should deeply launch the campaign of

increasing production, practicing economy, increasing revenues, and reducing expenditures; and strive to promote industrial production. [passage omitted] 4) We should make full use of the favorable conditions of opening the country to the outside world to alleviate the strains in economic activities. We should continuously develop the good tendency in which the growth rate of foreign export trade is higher than the economic growth rate and strive to fulfill this year's export and foreign exchange-creating tasks. [passage omitted] 5) We should make good arrangements for the livelihood of urban and rural people and ensure a basic stability of market prices. It is necessary to continuously attend to the production and supply of the people's daily necessities. [passage omitted] 6) According to the drought-combat and self-salvation spirit, we should cut down expenses and ensure a basic balance between revenues and expenditures. At the time of making efforts to increase production and revenues, we should continuously cut down expenses and tighten our belts. This should be regarded as the starting and ending points in considering and handling the economic work in the future. We should adopt solid measures for controlling the construction of unplanned and nonproductive projects. The organs at the provincial, city, county, and township levels must not increase administrative expenses or add the number of administrative staff in the next 2 years. Organs and institutions are not allowed to purchase sedans again. [passage omitted]

Present at the meeting were leading comrades of the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress Standing Committee, the provincial government, and the provincial Committee of the Chinese People's Political Consultative Conference [CPPCC]; and responsible comrades of the Northeast China Power Administrative Bureau, the Shenyang Railway Bureau, the Anshan Iron and Steel Complex, the Liaohe Oilfield, and relevant provincial departments. Wang Julu, deputy secretary of the provincial party committee; Dai Suli, chairman of the provincial Advisory Commission; Wang Guangzhong, chairman of the provincial People's Congress Standing Committee; and Xu Shaofu, chairman of the provincial CPPCC Committee, respectively expressed their opinions on attending to the work in various fields with the focus on combating the disasters and providing for and helping ourselves.

### Northwest Region

#### Gansu Leaders Attend Exhibition Opening

HK1710065889 Lanzhou Gansu Provincial Service  
in Mandarin 1030 GMT 16 Oct 89

[Excerpts] The second sales exhibition of famous-brand, quality, new, and special products of the Longnan economic area opened at the newly-built Industry and Trade Building this morning amid a delightful melody of music and popping of firecrackers. Representatives of more



than 30 prefectures, cities and autonomous prefectures of 11 provinces and autonomous regions took part in the exhibition, and the value of products on display at the sales exhibition exceed 1 billion yuan. [passage omitted]

Li Ziqi, Xu Feiqing, Huang Luobin, Wang Jintang, (Wu Jian), Wang Daoyi, Yan Shutang and other leading comrades of the province and Lanzhou city attended the opening ceremony.

The exhibition will last 5 days and close by 20 October.

### **Qinghai's Yin Stresses Enterprise Political Work**

HK2310022989 Xining Qinghai Provincial Service  
in Mandarin 2300 GMT 22 Oct 89

[Excerpts] Provincial party committee Secretary Yin Kesheng and Deputy Secretary (Jin Jipeng) spoke on 21 October on how to step up political and ideological work in the enterprises. [passage omitted]

Yin Kesheng said that since the Enterprise Law was promulgated, some plant managers and directors and enterprise party organizations have closely cooperated, supported each other, and made great efforts centered on building the two civilizations in the enterprises. However, we should realize that the actions of Comrade Zhao Ziyang in weakening and diluting party leadership and transforming ideological and political work for some time have caused the serious consequences of weakening the political core role of the party organizations and ideological and political work in the enterprises.

The key to giving scope to the political core role of the party organizations in the enterprises lies in handling well the relationship between the plant manager responsibility system and the guarantor and supervisor role of the party organizations. We must fully realize that there is complete identity between practicing the plant manager responsibility system and giving scope to the role of the party organizations. Our enterprises are socialist enterprises and we must uphold their socialist orientation and ensure their proper implementation of the party's line, principles, and policies. [passage omitted]

### **Qinghai's Yin Stresses Rural Ideological Work**

HK1510004789 Xining Qinghai Provincial Service  
in Mandarin 2300 GMT 13 Oct 89

[Text] Yin Kesheng, secretary of the provincial party committee, said at a recent meeting on rural ideological work in Huangzhong County: The fundamental tasks of rural ideological and political work are, closely centering on economic construction, to apply Marxism-Leninism-Mao Zedong thought to educate and guide the peasants, enhance their socialist awareness, and fully mobilize their initiative for building new socialist rural areas.

Yin Kesheng stressed that current ideological and political work in the rural areas should be focused on adhering to the four cardinal principles and opposing bourgeois liberalization. It is necessary to give prominence to education in the following respects: First, it is necessary to get a good grasp of education in loving the party, the country, and socialism. We must make full use of the negative teaching material of the recent turmoil and rebellion to guide and educate the peasants to use the fourth plenary session spirit and Comrade Deng Xiaoping's important speech to distinguish between right and wrong, to firmly establish the ideas that the CPC is the force at the core leading our cause and that only socialism can save and develop China, and to profoundly understand that party leadership is the fundamental guarantee for building new socialist rural areas, and that the socialist road is the sole road for achieving common prosperity for all the peasants.

We must teach the peasants to correctly handle the relations between the interests of the state, the collective, and the individual, and spontaneously undertake their obligations and make contributions to the state. We must conduct education in the line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committee, to enable the rural cadres and peasants to boost confidence, unswervingly carry out the party's line, principles, and policies, further emancipate their minds, promote rural economic construction, reforms, and opening up, and follow the path of getting rich through hard work and achieving prosperity for all.

Yin Kesheng pointed out that the peasants' living standards have risen everywhere since the 3d Plenary Session of the 11th CPC Central Committee. However, we must continue to teach the masses to take a longer term view and maintain the work style of arduous struggle, industry, and thrift, attach importance to investment in production, and prevent and correct extravagance and waste in weddings, funerals, and so on. We must guide the masses to change customs and habits and oppose and prohibit gambling and feudal superstitious activities.

Yin Kesheng said: We must maintain and carry forward the fine traditions of rural ideological and political work and explore new paths and methods for this work. We must adhere to the principle of integrating ideological and political work with economic work. We must stress ideological guidance for the peasants and guide them to teach, manage, and serve themselves. We must make full use of the existing rural cultural centers, youth centers, wired broadcasting and so on to do a good job in rural ideological and political work, with the stress on practical results. We should arouse the patriotic fervor of the peasants and truly turn them into a vigorous army making great efforts to achieve improvements, following the socialist road, and loving and building their home villages.



**Economic Exchange Symposium Held in Guangzhou**

OW2110230689 Beijing XINHUA in English  
0156 GMT 21 Oct 89

[Text] Guangzhou, October 21 (XINHUA)—A symposium on economic exchanges between the mainland and Taiwan was held here today at the ongoing Guangzhou Export Commodities Fair.

Addressing the symposium, Director of the Import and Export Department of the Ministry of Foreign Economic Relations and Trade (MOFERT) Shi Guangsheng expressed his welcome to the Taiwan businessmen who are visiting the fair.

He said the number of businessmen from Taiwan visiting the Guangzhou Fair has increased since last year and the fair has progressively become a bridge for the mainland and Taiwan to promote mutual understanding, and to develop their economic and technical exchanges.

Chen Wenyu, deputy director of a MOFERT department in charge of economic relations and trade with Taiwan, said that by the end of last year, the total volume of trade between the two sides of the strait had reached 8.2 billion U.S. dollars.

She said this trade is growing rapidly and its volume in the first seven months of this year came to 2.05 billion U.S. dollars, 56 percent up as compared with the same period of last year.

The deputy director said that by the end of 1988 the projects indirectly invested in by Taiwan compatriots on the mainland had totalled 470, involving more than 600 million U.S. dollars.

She disclosed that so far this year Taiwan compatriots have invested in over 200 projects on the mainland.

Moreover, she hoped that the businessmen on both sides of the strait would make joint efforts to promote the normalization of their business relations, adding that she is confident of the future.

The symposium was attended by MOFERT officials and other authorities, and 50 Taiwan business representatives. Since the current fair opened on Oct. 15, some 1,041 Taiwan businessmen have visited it.

**Taiwan Accused of Political, Cultural Offensive**

HK2310022189 Hong Kong HONGKONG STANDARD  
in English 23 Oct 89 p 7

[Excerpt] Beijing has accused Taiwan of mounting a political and cultural offensive against the mainland since June 4.

It accuses Taiwan of trying to promote turmoil on the mainland so that it can regain control.

A signed article in the latest overseas edition of OUTLOOK WEEKLY made a strong accusation that Taiwan authorities had recently become much more hostile towards the mainland.

The article said that since June 4 Taiwan had formulated a new strategy, based on the principle of taking the offensive in political and cultural matters while restricting the development of economic relations.

It said the aim was to take advantage of new openings on the mainland to exert political influence.

Its ultimate goal was to encourage political turmoil, it said.

The article quoted Taiwan officials as saying economic links were being restricted to avoid strengthening the economic power of the mainland.

It said this new strategy clearly illustrated the Taiwan authorities' dream of recovering the mainland by promoting turmoil. [passage omitted]

**Three Beijing Activists Arrive in Taiwan**

OW2310014789 Beijing XINHUA Domestic Service  
in Chinese 1305 GMT 22 Oct 89

["Local Broadcast News Service"]

[Text] Hong Kong, 22 Oct (XINHUA)—Three active participants in the Beijing turmoil who fled to Europe have recently "flown from Europe to Taipei through the appropriate channels," and while in Taiwan, they will "continue to struggle for freedom and democracy on the Chinese Mainland," according to a report by "HUA-QIAO RIBAO" [WAH KIU YAT PO 5478 0294 2480 1032] on 21 October.

The report says that the three treasonous fugitives are Tian Xinran [3944 2946 3544], (male), and Jing Jing [5427 2533] and Bai Xue [4101 7185], (both female). Their settlement in Taiwan was "arranged" by a notorious anticommunist organization known as the "Free China Relief Association."

Taiwan is encouraging plotters, organizers, and active participants of the Beijing turmoil who have fled overseas to come to Taiwan to carry out anticommunist activities. According to the report by this newspaper, Taiwan's "Vice Minister of the Interior" Zhang Longsheng [Chang Lung-sheng] said that Taiwan has approved 10 "mainland democratic movement members remaining in the Hong Kong-Kowloon region" taking up residence in Taiwan. This includes Yang Yang, a member of the Beijing swimming team, who recently left Hong Kong for the United States with the approval of the British authorities in Hong Kong. Three of them have already arrived in Taiwan.

### North America September Trade Figures Cited

OW2210013489 Taipei CNA in English 1006 GMT  
21 Oct 89

[Text] Taipei, Oct. 21 (CNA)—The two-way trade between the Republic of China [ROC] and North America grew by 13.11 percent to 3.10 billion U.S. dollars in September this year, the government trade officials said.

The added that the bilateral trade transactions in the like month indicated a boost of more than 360.1 million U.S. dollars compared with 2.74 billion U.S. dollars carried out in the corresponding month last year.

According to official statistics released by the Board of Foreign Trade, the nation's top trade governing and promotional organization, and the private Euro-Asia Trade Organization, the September trade deal with North America represented 32.95 percent of the ROC's overall trade around the globe worth 9.42 billion U.S. dollars.

North America consists of Canada and the United States, which has remained as the country's top trading partner in the world community.

In the ninth month, the ROC exported its products to North America totaling more than 2.07 billion U.S. dollars, denoting a rise of 182.8 million U.S. dollars or a jump of 9.7 percent over the value of 1.88 million U.S. dollars for the same months in 1988.

Imports of North American goods were listed at over 1.03 billion U.S. dollars, up by 177.3 million U.S. dollars for a growth of 20.7 percent against 856.4 million U.S. dollars conducted a year ago, the official tabulations showed.

### Businessmen Plan Soviet Bloc Trade Via PRC

HK1910024189 Hong Kong HONGKONG STANDARD  
in English 19 Oct 89 p 8

[By Fan Cheuk-wan]

[Text] Taiwan businessmen are hoping to develop a new "silk Road", using the mainland as a middleman to develop trade with the Soviet Union and the Eastern Bloc.

Through this modern Silk Road, Taiwanese businessmen would be able to travel to and trade with Moscow via Beijing and Siberia, instead of the current route through Thailand and Eastern Europe.

The new route would cut travel expenses by two-thirds.

Taiwan businessmen are not officially allowed to trade directly with the Soviet Union nor with the mainland, but in fact they have strong trade links with both—often through companies registered in third countries, including Hong Kong.

Three Taiwanese trade delegations have visited Moscow since October last year, but all of them travelled via Eastern Europe.

The Taiwan Beijing Investment Consultancy Company is currently in cooperation with the China National Aero-Technology Import and Export Corporation, under the auspices of the Ministry of Aeronautics Industry, in attempting to develop the Soviet market.

Mr Lin Chang-hsiu, director of the Taiwanese company, yesterday told THE HONGKONG STANDARD he planned to lead the first delegation to enter the Soviet Union through Beijing and Siberia.

Mr Lin said his company had been studying an investment plan in the Soviet Union involving more than U.S.\$10 million (about HK\$78 million).

"We plan to invest in aluminium manufacturing, wood processing and paper production, both in the Soviet Union and on the mainland," he said.

"The plan will be based on a good division of resources—Taiwan companies supply capital and technology, the Soviet parties provide raw material and the mainland companies supply the labour force," he said.

Trade between Taiwan and the Soviet Union hit a record U.S.\$97.2 million in the first seven months of this year, a 700.7 percent leap over the same period last year.

The Soviet Union has also surpassed Poland and East Germany as Taiwan's biggest trading partner in the Eastern Bloc.

"The great demand in the Soviet Union for Taiwan-produced consumer goods like sports shoes and electronic products," Mr Lin said. [sentence as received]

"In exchange, we will buy raw material from the Soviet Union to support our manufacturing and processing plans on the mainland.

"My firm plans to employ China experts in the Soviet Union and Soviet experts on the mainland to open training courses in Beijing for Taiwan businessmen," he said.

"In the past, Taiwan businessmen traded with the East European countries and the Soviet Union through the mediation of Japanese trading companies. But the Japanese firms shared a big bite in our profits."

### Fishing Crew Released by Soviet Union

OW2310061689 Taipei CNA in English 0319 GMT  
23 Oct 89

[Text] Kaohsiung, Southern Taiwan, Oct. 23 (CNA)—Thirty-six fishermen from the Republic of China, which had been detained by the Soviet Union in mid-1989, returned to the southern Taiwan port city Sunday evening.

The 36 were operating on board the 495-ton Fengming and Taihsing No. 1 fishing vessels when the former was detained on May 21 by the Soviet Navy and the latter seized on July 17.

Both vessels were kept in custody in Shikotan. The Fengming was released on Oct. 10, but the ill-fated Taihsing No. 1 was confiscated.

#### **Defense Minister Views Military Personnel Cuts**

*OW1910063389 Taipei CNA in English 0230 GMT  
19 Oct 89*

[Text] Taipei, Oct. 19 (CNA)—Defense Minister Cheng Wei-yuan said Wednesday the proportion of personnel costs in the defense budget has decreased, thus making the budget structure more reasonable than before.

Reporting on his job to the Legislative Yuan's Defense Committee, Cheng said personnel costs used to take a disproportionately large share of the defense budget, so military equipment could not be renewed at a quicker pace.

He pointed out that the Government has been implementing its "crack troop" policy by cutting over 44,000 employees from the military services.

Personnel costs accounted for 51.87 percent of the total defense budget in fiscal 1985. In fiscal 1990, which

started on July 1 of this year, the share will fall to 32.77 percent, according to Cheng.

On the other hand, equipment costs will rise from 28.4 percent to 46.92 percent during the same period, he pointed out, thus making the structure of the budget more reasonable.

Cheng furthermore pointed out that by 1995, the total number of men in uniform will be brought down to 500,000.

On the Defense Ministry's role in cracking down on the smuggling of Communist China-made firearms, Cheng said his ministry would spare no efforts to help the government preserve social order.

In answer to a question by Legislator Hsuan Yi-wen, Cheng said his ministry had signed a contract with a United States company to supply materials to build the nation's new missile frigates.

He also pointed out to the committee that defense authorities planned to increase from 7 to 10 the number of weekly civilian flights between Taiwan and Kinmen.

His ministry had also decided to help develop tourism on the frontline islets of Kinmen and Matsu, he said.

The Defense Ministry will also help the private sector fly the Taiwan-Penghu route with helicopters, Cheng said.

## Hong Kong

### Deng Warns of Interference Against Subversion

HK2110010389 Hong Kong HONGKONG STANDARD  
in English 21 Oct 89 p 1

[By Terry Cheng, China Editor, in Hong Kong and Ong Hock Chuan in Kuala Lumpur]

[Text] Chinese paramount leader Deng Xiaoping has warned that Beijing will "interfere" if Hong Kong becomes a base for subversion against the Chinese Government or its socialist system.

Chinese sources yesterday confirmed that Mr Deng made the comment in a meeting with Hong Kong businessman Sir Yue-kong Pao.

The Chinese leader is also reported as saying that demands made by certain Hong Kong people since the June 4 incident exceeded what China was prepared to allow.

In his September 28 meeting with Sir Yue-kong, Mr Deng is reported to have said that China's bottom line on Hong Kong was that it would take charge of the territory's defence and foreign affairs.

It was learned that Beijing believed the British were attempting to negotiate terms which they had not previously sought in talks on Hong Kong.

The British request that Beijing not station People's Liberation Army troops in Hong Kong after 1997 was given as an example of this.

Chinese officials were understood to hold the view that the British-Hong Kong officials had not been sincere enough in solving the recent unrest in the territory.

At the same time, Mr Deng said that Hong Kong people could continue to leave the territory provided a certain degree of prosperity could be maintained.

According to Chinese observers, Mr Deng's statements indicate that the Chinese Government will not tolerate anyone, from any country, using Hong Kong as a base to plot against China.

They believe Mr Deng was suggesting that while Beijing was now merely issuing verbal warnings it would "interfere" if it felt the situation in Hong Kong was deteriorating.

Sir Yue-kong was last night not available for comment on the meeting with the Chinese leader.

Disclosure of Mr Deng's warning came as British Foreign Secretary John Major, speaking at the 27th Commonwealth Heads of Government meeting in Kuala Lumpur, said Britain would not like to see relations with China deteriorate.

But Mr Major also said that China must understand Britain is not responsible for Hong Kong's confidence crisis.

He said: "We certainly do not want to see any deterioration in relations, but the confidence problem with China was not caused by the British Government and I think that is understood by Beijing."

Mr Major made the remark on being asked if he was worried by the apparent decline in relations between the two countries.

"The reality is that the international community is concerned about the confidence factor in Hong Kong," Mr Major said.

"Hong Kong is a very important part of the international community, financially and otherwise, and there is a genuine concern about that."

Asked how soon he would announce the nationality package for Hong Kong that Britain has promised, he said: "It's a little way away at the moment. We are working on it as hard as we can."

He pledged that the package would help restore the confidence of people in their own future in Hong Kong.

At the same time, the Omelco [Office of Members of the Executive and Legislative Council] nationality delegation to Kuala Lumpur would up its mission yesterday with a meeting with Singapore Prime Minister Lee Kuan Yew and Canadian Foreign Minister Joe Clark.

Delegation leader Mrs Rosanna Tam said the trip had been a success in that they had managed to discuss Hong Kong's situation with many of the Commonwealth leaders.

They had held talks with the foreign ministers of Australia, India, and New Zealand.

Asked about the meeting with the Singapore Prime Minister, another delegate, Mr Ronald Arculli, said Mr Lee had expanded on his idea of "bargaining with China".

He was referring to Mr Lee's earlier statement that Hong Kong people should not confront China but bargain with it.

When asked if they did not resent the leader of another country giving Hong Kong advice on how to deal with China, Mr Arculli said: "We have to recognise that Mr Lee is a very experienced statesman and one of the world leaders in the region."

### Mandatory Repatriation of Vietnamese To Proceed

HK2010013589 Hong Kong SOUTH CHINA  
MORNING POST in English 20 Oct 89 pp 1, 3

[By Fiona MacMahon]



[Text] Hong Kong is prepared to take a unilateral stand and proceed with mandatory repatriation, Refugee Coordinator Mike Hanson said yesterday.

"We have been out on a limb all along. We are supported by the other first asylum countries...but because we are the people with the problem that is inevitable."

But Mr Hanson said on his return from Geneva, where he has been attending a 28-nation meeting on the implementing of the Comprehensive Plan of Action (CPA), that he is confident when the meeting reconvenes at the end of November it will result in a real decision on the question of mandatory repatriation.

"I think there is a good chance of further progress at the end of the month (November)."

"We are always going to try and stick within the Comprehensive Plan of Action framework," Mr Hanson said arguing that it "was the best solution to the problem".

But he said: "The CPA is not being implemented in full, it is an unbalanced package and what we want to do is to make it balanced and give it a chance to work."

The CPA was drawn up at an international conference in June in a bid to solve the 10-year-old Vietnamese problem.

Mr Hanson said he was optimistic about the outcome of the next meeting as he felt there was a general interest in making the CPA work and recognition that it was not working properly at the moment.

He said the meeting had agreed on two points that he felt naturally led to the acceptance of repatriation.

Delegates all agreed that voluntary repatriation will never be sufficient to solve the Vietnamese problem, and that boat people screened out in Hong Kong could not be given the choice of staying in Hong Kong's detention centres but must return home, he said.

"Once all that is in place, it is just a further step in the logic towards full implementation."

But he said there was a need for the meeting to be reconvened because some parties, particularly the United States needed to have further consultation with their capitals on how they should proceed.

Sources have said that the U.S. and Vietnam were given ultimatums by all the delegates at the meeting that they have to accept mandatory repatriation by the end of November or the CPA will collapse.

Mr Hanson admitted that the American brief at the meeting had been restrictive and they needed to take "new instructions".

Although Mr Hanson was upbeat about the possibility of a breakthrough on mandatory repatriation by the end of

November he stressed that the Government had the right to proceed with bilateral negotiations with Vietnam.

"We have set ourselves a target of trying to get the return program in place by the end of this year and at this stage I don't think we are off target for that."

"All along we have reserved the right to make a bilateral arrangement with the Vietnamese and that is not inconsistent with the CPA."

But Mr Hanson admitted that even if Hong Kong proceeded with repatriation the Vietnamese are unlikely to be able to take a large number of Vietnamese boat people.

The Vietnamese have limited reception facilities and the voluntary repatriation program has already been hindered by the small numbers the Vietnamese take at one time.

"We can't expect the Vietnamese to cope with this program alone—if people are going to return there's going to have to be help to re-integrate them."

Mr Hanson said that if an agreement on repatriation was achieved in November there was a real possibility that the United Nations High Commissioner for Refugees would carry out the monitoring process.

At the moment they monitor the return of all the volunteers. Another group of 120 are expected to leave Hong Kong today for Hanoi. Originally scheduled to leave last week, the group will take the number of voluntary returnees to over 380 this year while 33,323 boat people have sailed into Hong Kong this year.

#### **Illegal Immigrant Accord Reached With Hong Kong**

*HK2310091289 Beijing XINHUA Hong Kong Service in Chinese 0838 GMT 23 Oct 89*

[Report: "Hong Kong Government and Hong Kong Branch of NEW CHINA NEWS AGENCY Decide To Resume Work of Repatriating Illegal Immigrants as of Tomorrow"]

[Text] Hong Kong, 23 October (XINHUA)—Today, the spokesman of the Hong Kong Branch of the NEW CHINA NEWS AGENCY announced that, following consultations, The Hong Kong Government and the Hong Kong Branch of the NEW CHINA NEWS AGENCY have reached an agreement with regard to the question of repatriating illegal immigrants from China. Both sides have now agreed to resume the work of repatriating illegal immigrants from China as of 24 October 1989. In the meantime, both sides have also reiterated the mutual understanding they reached in 1974, 1980, and 1982 with regard to the question of illegal immigrants and two-way permit holders from China and have resolved to implement in a practical way their mutual commitment in this regard in the future.

**END OF**

**FICHE**

**DATE FILMED**

24 Oct. 1989

